"The Chief Truth About Money" (Page 3)

THE FINANCIAL POST

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The Nation's Business

No Quack Remedies

Ottawa and the Provinces

Loan Councils Only Way Out

Foreigners Get Preference

"Glittering Generalities"

ACCORDING to the Ottawa Journal, the contributions to The Post's series "Canada—and the Next Five Years" consist of "glittering generalities."

Suppose the editor of the Journal found his health bad, his heart weakened, his energy subnormal. He would consult his doctor.

If he went to a quack, he would get a box of pills and a bottle of medicine. He would be told to take them and then come back for more.

If he went to a competent physician, he might be told to do a few sensible things like slowing the pace of his work, getting more rest, playing less golf and indulging in milder exercise, taking three weeks holiday in a year instead of two.

"Glittering generalities." But perhaps sound advice and the only advice worth taking.

The Post's series has been remarkably free from quack remedies—over-simplified panacea stuff. That is a meritorious feature, not a defect.

* * *

Saving Our Credit Ottawa Stands Firm

GRAVE danger threatens that the default of Alberta on its bonds will be followed by defaults on the part of British Columbia and Saskatchewan. The situation regarding these provinces is more thoroughly outlined in our news columns this week.

Why have these defaults come in this fourth year of recovery? The facts are very clear. The federal government has been supporting the tottering structure of western provincial finance and has loaned over $100 millions to the four provinces west of the Great Lakes. In return it has asked nothing: no assurance of frugal administration, no control over the spending of the money loaned and no control over future borrowings. It has been a thoroughly one-sided arrangement.

* * *

THE Minister of Finance, Mr. Dunning, has now decided that the policy must be changed. If the Dominion is to stand unreservedly behind the provinces, they must permit the Dominion to share in control over their future financing—a thoroughly fair and reasonable principle that should have been introduced when the first advance was made several years ago. He has offered a system of Loan Councils whereby the provinces could refund their debts with a Dominion guarantee, gain the benefit of much lower rates of interest and avoid default on their issues.

Alberta was the first province to come to the point where a decision had to be made. It decided that it would rather default than give the Dominion any control whatsoever over the Dominion's money. British Columbia and Saskatchewan will shortly have to choose. There is no indication that British Columbia has decided to accept a Loan Council. Saskatchewan seems to favor it. Manitoba has no early maturities and will probably take its time about coming to a decision.

Before the Loan Council plan can go through certain constitutional amendments are needed. With the provinces hardening against the Loan Councils, Ottawa seems undecided as to whether or not it should even bother to obtain these amendments. There seems to be one group in the cabinet which is ready to let the provinces sink, if they prefer to sink, and to accept their attitude as an excuse to finally get from under the obligation to loan more money to any province. It does not seem that this is Mr. Dunning's viewpoint.

* * *

WHATEVER the differences of opinion, The Financial Post believes that Ottawa ought to proceed to get the constitutional amendments through and should set up the Loan Council scheme so that it will be immediately available to any province that wishes to take advantage of it. If the provinces prefer to dishonour their bonds rather than take advantage of the Dominion's generous offer of assistance under the Loan Council plans, the Dominion will at least be in the position of having done its part nobly and well. And its own credit will be more effectively insulated against the unfortunate consequences of general provincial defaults in Canada.

In any event, not a dollar of Dominion money should be loaned to provinces to be spent by politicians who will not admit that he who pays the piper should at least have one vote in a co-operative arrangement for calling the tune.

* * *

Looking After The Foreigner

IT IS not unusual for Canadian governments to show more concern over tariff changes that affect some foreign interests than tariff

(Continued on page 2, col. 3)

Gigantic Newsprint Plan Of Quebec-Ontario Merger Backed by Potent Group

Price Bros. Tied in Grip Of Pacona

Bond Deal Seen as Threat to Plan to Reorganize

MEETING NEXT WEEK

From Our Own Correspondent

MONTREAL.—Plans for reorganization of Price Bros. & Co. along the lines set forth in the scheme of arrangement sponsored by Lord Beaverbrook, Bowaters Paper Mills and a Canadian group, may come a cropper if Lehman Bros. and Aluminium Ltd. fail to co-operate. Holders of securities of Price Bros. are to meet April 29 to consider the reorganization situation.

This week, Pacona Ltd., acting for Lehman Bros. and Aluminium Ltd., purchased practically all the outstanding first mortgage bonds of Price Bros & Co. from the Bondholders Protective Committee and holders of undeposited bonds.

In previous negotiations for the reorganization of Price Bros., Duke-Price Power Co., closely associated with Aluminium Ltd., played an important part. The contention made at the time was that Duke-Price's only interest in the matter was to see the company put on its feet in order that the power contract made between Duke-Price and Price Bros. would be restored to good standing.

Change of Mind

Such intentions apparently have undergone a change in recent months. At first it was believed that the plan recently put forward by Pacona Ltd. was to speed up the reorganization in order to strengthen the plans for refinancing Duke-Price Power Co., now known as Saguenay Power Co.

Can Make Trouble

With control of the bonds Pacona stands in a strong position to upset the plans for the internal reorganization, especially when it is considered that its associate, Saguenay Power Co., ranks as one of Price Bros.' largest unsecured creditors.

Without a favorable vote by Saguenay Power Co. it would not be possible to secure the necessary majority approval of the unsecured creditors to the plan sponsored by Beaverbrook-Bowater and the Canadian group.

Further Pacona could enforce the security back of the bonds—a step which would defeat the reorganization.

Big Money Involved

The threat of Pacona and associated interests to the reorganization of Price Bros. could be eliminated through purchase of the bonds and paying off the unsecured creditors.

(Continued on page 2, col. 7)

Big Investors and Industrialists Would Combine Six Firms

FAVOR STERN CURE OF ILLS

From Our Own Correspondent

MONTREAL.—A large scale newsprint merger is on the way with very powerful backing. It is learned from most reliable sources that a comprehensive plan is being developed by an exceedingly strong group of industrialists and investors involving the physical consolidation of a number of Ontario and Quebec newsprint companies. Mortgage debts and fixed charges would be written down to a point where, with the injection of new capital, operations could be restored to a profitable basis.

Current popular optimism over the increased activity in newsprint is said to leave the hard-headed business group that is backing the plan unimpressed. They feel that the industry is "basically unhealthy" and that the debacle of a price war can be avoided only if stern measures are promptly taken, with all parties at interest co-operating in the interests of all.

Cool to Individual Plans

No enthusiasm is shown by this group over reorganization schemes for the individual newsprint mills. Their feeling is that these moves do not get at the root of the problem because they do not avoid but instead only accentuate the danger of ruinous competition within the Dominion, and because in the main, so they point out, such plants inspire and are predicated on the hope of substantially higher prices for newsprint in the immediate future.

It is earnestly believed by these leaders that if Canada is to retain her place in the international newsprint market she must put her house in order to earn profits at a reasonable selling price. Several independent investigations have disclosed that the south of the United States is only awaiting the advent of a material price increase before it actively enters the international market, probably with government support.

Three-company Merger

Complete details of the plan of this group are not available but it is understood to involve the physical merger of three Ontario and three Quebec companies. Underwriting of the new money required has been arranged through a strong American and British banking group.

The strength of this movement is seen to rest in the assemblage under one financial and management roof of enough Canadian properties, complementary to one another in their economic potentials, to be in a position to influence an intelligent price and contract relationship with publishers.

Sponsors of the plan see definite hope for holders of securities in Canadian paper companies if the plan envisaged should succeed. The character and strength of the sponsorship of this latest movement are beyond question. It is one of the strongest industrial and financial groups ever gathered together in Canada.

Weston Offers English Rights

Circulars will go out this week covering offering of 250,000 shares of George Weston Foods, Ltd. (British company) to preferred and common shareholders of George Weston, Ltd. (Canadian company). The price is $2.50 a share.

Holders of 375,882 no par value common shares of George Weston, Ltd., can subscribe for two English company shares for every five Canadian company shares held, or 150,354 shares. Holders of 17,500 new 5 per cent preferred can subscribe for two English shares for each preferred share held by them, or 35,000 shares in all. The total which can be taken up by shareholders is therefore 185,354 shares. Nearly 65,000 shares are left for participation by employees who desire to have an interest in the English venture. All the shares are underwritten so that they will be taken up in event any shareholders do not wish to participate.

The $625,000 to be received by George Weston, Ltd., Canadian company, from this issue will leave it without a direct interest in the English company. The money will be applied to the new factory being opened near Chicago and to other ventures in Canada and the United States which are in prospect.

Foreign Trade Strong in March

Further strength in foreign trade featured the week's business figures as outlined on page 7.

Recession was indicated in building permit figures and in sugar output as compared with a year ago.

Comparative figures follow:

	March	—Change— From prev. period %	From prev. year %
Monthly:			
Sugar*			
Malt. & ship., lb.	22,935,521	+ 12	— 15
Manufact., lb.	22,330,975	+ 7	— 8
Newsprint prod., tons	233,900	+ 5	+ 13
Bldg. permits	$ 2,361,271	+ 23	— 41
Life ins. sales	$31,664,000	+ 3	+ 0.8
Wheat flour exp., bbls.	476,773	+ 40	— 4
Wheat exports, bush.	13,146,135	+ 74	+ 47
Exports	$73,213,800	+ 22	+ 24
Imports	$52,904,793	+ 27	+ 9.8
Weekly:			
Cattle sales, No.	20,340	+ 48	+ 73
Hog sales, No.	14,652	— 13	+ 13
Car loadings, No.	40,235	— 9	— 7

* Feb. 29 to Mar. 21.

To Redeem $7,500,000 Famous Players Bonds

Refund 6 and 6½ p.c. Issues With 4½ p.c. Bond

GREAT SAVING

Famous Players Canadian Corp. is about to redeem its 6 per cent first mortgage bonds and its 6½ per cent debentures both due April 1, 1948. Total amount required to redeem these with a 3½ per cent premium is $7.8 millions, but it is understood the company will refund them with a new 4½ per cent 15-year issue for about $7.1 millions and that the balance will be paid for in cash from its $1.8 millions of cash, call loans and Dominion government bonds.

The bond issues to be redeemed are as follows:

	Outstand. $	Redemption Price $
6% 1st mtge. bonds, due 1948	4,894,000	5,053,055
6½% debs., due Apr. 1, 1948	2,660,000	2,746,450
Total	7,554,000	7,799,505
New issue probable*		7,100,000
Min. payable in cash		699,505

* Guesses at offering price range around 98 or 98½, so that actual proceeds may require somewhat more in cash. The syndicate will probably include Wood, Gundy & Co., Dominion Securities Corp., and W. C. Pitfield & Co.

It is understood the company will be able to make annual interest savings of nearly $175,000 by this refunding, or more than 45 cents a share on the 378,790 no par value common shares outstanding. Most of these shares are held by Paramount Pictures, Inc., New York City.

The company's bonds have maintained an excellent investment position throughout the depression. Increasing earnings since 1932 make a smaller issue of this kind with a 4½ per cent interest rate attractive under present market conditions as the company is strong and regarded as having good prospects over a term of years.

Wheat Carry-Over Lowest Since 1930

200 Million Bushels in Marketable Positions on April 1

Total Canadian wheat in store, afloat, in transit, and in farmers' hands and stored in United States is estimated at 262 million bushels by Sanford Evans Statistical Service of Winnipeg. In Canada alone, it estimates 246 million bushels. Of this amount, slightly over 46 million bushels are in farmers' hands, leaving an even 200 million bushels in marketable positions. The compilation was based on March 31 conditions.

Comparisons with previous years at March 31 are as follows:

Wheat	In Canada	Total in U.S. and Canada
1936	246,022,889	282,458,054
1935	283,032,184	299,249,390
1934	298,788,076	304,443,775
1933	314,480,237	320,472,710
1932	246,150,573	257,825,813
1931	280,095,391	294,083,445
1930	228,646,167	254,773,387
1929	249,609,428	273,228,428
1928	226,271,847	238,132,847
1927	174,382,372	180,960,372

Highlights

Elizabeth Arden

A former Canadian, high priestess of the cult of beauty is also head of huge world business organization, but won't talk of dollars. Page 12

If War Comes

What happened stock market "war babies" of 1914? Many are gone and forgotten. Page 20

Canada's Prospects

Col. F. H. Deacon, J. G. Ross, Rev. John G. Inkster and J. E. Lattimer discuss problems of agriculture, employment, paganism and national credit in Canada. Page 11

Loan Sharks

Government supervised "small loan" companies combat vicious methods of salary buyers, but effective law enforcement is needed to fully protect mass of borrowers. Page 15

$35 Gold Profits

Record of three years shows senior Canadian gold companies have not yet passed peak of earning capacity. Page 18

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Immigration Hits New Low

Hansard at Ottawa contained a figure the other day which is probably a 40- or 50-year record, as far as Canada is concerned.

The figure was the number of immigrants entering Canada in January, 1936, the total for that month being 499. The previous low mark was in February, 1935, when only 559 people were admitted. To get anything like comparable figures, one has to dig back into the very early days of this Dominion.

Utility Stock Holders Sue Underwriter

Montreal Island Power Case Likely To Be Heard in May

ALLEGE DATA FALSE

From Our Own Correspondent

MONTREAL.—Alleging that purchase of 100 shares of preferred and 40 shares of common stock of Montreal Island Power Co. were made on statements and representations which it is now claimed were false, James Pigott, of Hamilton, has entered a claim against Nesbitt, Thomson & Co. seeking return of the moneys invested.

In a statement of claim, the plaintiff says that Nesbitt, Thomson and Co. induced him to buy shares on the principal grounds that the power site under a head of 26 feet is capable of developing 65,000 h.p. 24 hour power; that Montreal Power would purchase all the power from the development; that the average annual increase in demand for power was such that the entire capacity of Montreal Island Power would be utilized and sold within four years; that at under ultimate capacity, net earnings of the company would be about $900,000 annually, or over 7½ times dividend requirements after bond interest.

These representations are said to have been contained in a prospectus and also to have been made verbally by A. F. Crichton, an agent of Nesbitt, Thomson & Co.

Says Statements Misleading

The plaintiff is claiming that the site was and is not capable of developing 65,000 h.p. of continuous

(Continued on page 2, col. 6)

Chevrolet Sets Pace in March

Spectacular Gain in New Car Sales — Ford Drops 31%

Passenger car sales in Eastern Canada staged a comeback in March but were still 4.5 per cent below the corresponding figure of 1935. In February, bad weather and the early showing of 1936 models in 1935, cut new car sales 17 per cent below 1935 levels.

Cumulative sales for the first three months of 1936 are 17 per cent ahead of a year ago due to the exceptionally heavy business done in January.

A feature of the March showing, according to Might's Directory figures prepared for Canadian Automotive Trade, is the spectacular increase in Chevrolet sales compared with a year ago.

Judging by present sales indications in the United States where weather conditions have opened the car market almost a month earlier than in Canada, conditions are approaching boom times. General Motors sold more cars in March than in any one month since 1928, with Chevrolet leading by reason of all-time records for that month. Records are also reported by Packard, Hudson, Studebaker, Pontiac.

Comparative figures for Eastern Canada sales of ten leading passenger cars follow:

	Mar. 1936	Mar. 1935	Year to date 1936	1935
Chevrolet	1,366	1,093	3,051	1,751
Ford	1,182	1,728	2,739	3,389
Dodge	630	582	1,429	1,186
Plymouth	527	542	1,242	1,132
Oldsmobile	343	480	817	792
Buick	229	82	587	188
Pontiac	183	404	442	705
Chrysler	163	166	388	278
Terraplane	106	12	243	27
Terraplane	142	144	315	273
Packard	106	12	243	27

Ontario Hydro May Resume Trent River Development

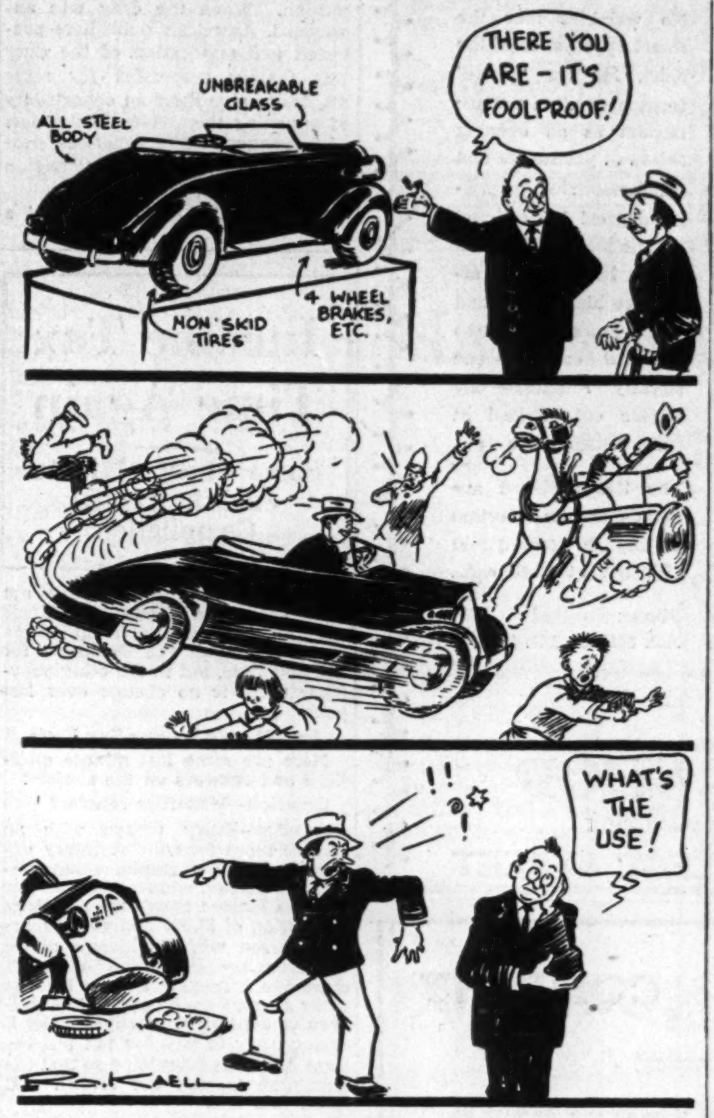
A possible result of the cancellation of the contracts with Quebec power companies for surplus power may be that the Hydro-Electric Power Commission of Ontario may determine to resume the development of the Trent River as a source of primary power supply.

In a letter to security holders of Quinte & Trent Valley Power Co., J. G. G. Kerry, president, points out that this development has been suspended for the last 10 years owing to the operation of the Quebec Power contracts.

"Your company has been giving close attention to this question as any improvements effected on the Trent River are bound to be to the benefit of your company," states Mr. Kerry.

Preference shareholders of Quinte & Trent Valley elected the majority of directors at the last annual meeting, having that privilege in consequence of default of dividend payments. They will do the same thing at the coming annual meeting. The directors elected by the preference shareholders also hold large amounts of bonds, thus giving bondholders representation on the board.

For further figures concerning operations of the company in 1935 see page 16.



—Drawn for The Financial Post by R. Kaell.

A FOOL AND HIS CAR ARE SOON PARTED

Saskatchewan Requests Help of Loans' Council

But Prospects For Federal Assistance Uncertain

LEGISLATION IN AIR

From Our Own Correspondent

OTTAWA.—Faced with a maturity of $2,002,000 4½ per cent gold bonds, due May 1, the government of Premier Patterson, of Saskatchewan, this week in negotiations with the Dominion definitely asked for financial assistance through a loans' council.

The earlier default of Alberta following rejection of a loans' council and the current attitude of British Columbia have made the western province's prospects very uncertain.

Unable to obtain assurance from the Dominion that the legislation setting up a loans' council would be proceeded with, Premier Patterson is believed to have gone to Toronto to endeavor to negotiate a loan which would enable him to pay off these bonds.

Have No Legislation

There now exists no Dominion statute under which a guarantee for a loan can be given and the immediate future of the loans' council legislation is hazy. The Dominion can easily save the province from default by arrangement with the banks. It can then enact this session any statutory authority required to implement the arrangement so made—either by special act or the enactment of the loans' council legislation.

Saskatchewan has a short term maturity of $1 million due June 1, but this, it is thought, can be met without federal aid provided the May 1 obligation is paid.

B. C. Situation

On May 15, the Pattullo government of British Columbia will be confronted with a maturity of $3,500,000 4 per cent gold bonds. The position here is clearer. Premier Pattullo has been at Ottawa negotiating with Hon. C. A. Dunning for several days. During the Easter recess he visited New York to discuss matters with the financial houses there. Mr. Pattullo has come to no agreement with Mr. Dunning. In many respects they are farther apart than are Mr. Aberhart and Mr. Dunning. Mr. Pattullo, apparently, desires a Dominion guarantee on his own terms. He desires to convert the debt of the province and to obtain large sums of

(Continued on page 2, col. 5)

Control Requisite In Loan Councils

Premier W. J. Patterson, who is also Saskatchewan's provincial treasurer, stated in his budget address on March 3, 1936:

"As yet the Dominion legislation providing for the establishment of loan councils has not been introduced and until its terms and conditions are known we cannot pass definite judgment, but it is quite apparent that the provinces cannot expect the benefits of Dominion guarantees with resultant reduction in interest rates without submitting to some measure of supervision and control."

Sees Danger in New Rule

Insurance Official Deplores Attempt to Change Profit Base

Proposed legislation of the federal government to arbitrarily raise the profit participation of policyholders 5 per cent, is termed by J. H. Lithgow, general manager of the Manufacturers Life Insurance Co., a "serious and discriminatory act which may have unfortunate effects on shareholders in smaller and younger life companies.

"I feel that shareholders still have some rights and that for a benefit which is very small as far as the policyholder is concerned, the shareholders may be called upon to suffer very real hardship."

Net Benefit Small

"A calculation we have made shows that for those companies which still credit 10 per cent of profits on participating business to their shareholders, the net benefit to policyholders by this arbitrary move at Ottawa, would amount to not more than 20 or 25 cents per $1,000 of insurance in force on the basis of current dividend scales.

"Against this, the effect on shareholders — particularly of smaller, companies may be very serious indeed. I believe the plan of distributing 10 per cent of profits on participating business to shareholders is necessary for a decent return to those whose capital makes these young enterprises possible.

Voluntary Action Best

"As companies grow older they have nearly all voluntarily relinquished the proportion of profits which they were allowed by law to distribute to shareholders which indicates their eagerness to give policyholders every possible benefit.

"In the case of our own company which now distributes 93 per cent of profits on participating business to policyholders, the average interest return on the money which shareholders have invested in the company has amounted on the average to only 6½ per cent since incorporation.

"However I believe the wisest course is to leave the choice in the hands of the individual company with the assurance that competitive conditions within the business will ensure the maximum distribution to policyholders consistent with safety.

Tariff Cuts, Higher Taxes Budget View

Income Levy Likely To Be Stepped Up as Revenue Producer

INFLATION IS OUT

From Our Own Correspondent

OTTAWA.—Depending upon the speed with which the Tariff Board can complete cases now under consideration, the budget will be presented to parliament within two weeks. It will be the first strong reflection of the government's policy to beat-the-depression.

Likely highlights are:

The tariff will be reduced on a wide range of manufactured goods.

Taxation will be radically increased.

Inflation will be condemned.

Instead of withholding reductions in the rates of duty under the British preferential schedule, until the 1937 Imperial conference, the government will make a practical gesture toward freer trade in this budget. The preferential tariff on textiles, particularly on cottons, will be cut.

Wide Range in Reductions

Other tariff reductions will apply to gasoline, steel products, and a very wide range of raw materials and implements of production used by such industries as automobile, furniture, magazine publishing, leather goods, etc.

There will be a substantial list of increases in the intermediate tariff because of the U. S. trade agreement. When the intermediate tariff was extended to the U. S. it was found there were numerous items on the free list, such as cut flowers, potatoes, etc. The U. S. government was asked to select the items in which it was particularly interested and bind them under the pact. Apart from these items, the Ottawa government retained a free hand to adjust duties as the need arose.

Out For Revenue

There will be numerous adjustments but, in the main, the increases will be calculated to yield revenue to the treasury rather than to protect domestic industry.

In the field of taxation, the government is determined to take a long step toward a balanced budget. An increase in the sales tax from 6 to 7 per cent has been seriously considered but doubts are held as to the effectiveness of such a move as a revenue producer.

Greater Income Taxes

The income tax is to be stepped up. Calculations have been made as to the increase in revenue which would result from a reduction of the exemption from $2,000 to $1,500 for married persons and from $1,000 to $750 for single. This change is being seriously considered; also a cut in the exemption for dependents. Likewise the higher brackets of the income tax are under scrutiny.

Particular attention is being paid to the gaining of more revenue from those with so-called unearned incomes. This division in incomes was made by the Bennett government and is likely to become more marked after the forthcoming budget.

Postage rates are very much under fire. The rates are likely to be stepped up all along the line with emphasis on the second and third class categories.

C. S. L. Outlook in 1936 More Hopeful Than in '35

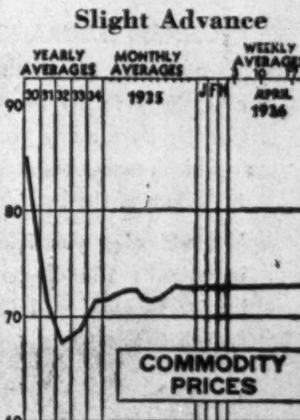
From Our Own Correspondent

MONTREAL.—Outlook for Canada Steamship Lines this year is substantially better than a year ago, W. H. Coverdale, president, told the shareholders at the annual meeting. Last year the season started with firm grain rates, but owing to scarcity of business the rates did not hold for more than a few weeks. This year the charge is being made to start at 6 cents a bushel and there is much better reason for expecting the grain rate will be maintained.

Shareholders were told that of the company's fleet of 104 ships, the maximum number used in 1935 was 73 and the number to start around the first of May was 51. This year it is expected to have 57 vessels in operation May 1.

Only casual reference was made at the meeting to the reorganization plan announced this week by the bondholders' protective committee.

Slight Advance



Commodity prices as measured by the index of the Dominion Bureau of Statistics recorded a slight gain in the week ended April 17, the index advancing from 72.0 for the week ended April 10 to 72.2.

MEN'S SHOP

This "SPADE FRONT" SHIRT Combines Style and Comfort

No wrinkles mar the smart appearance of the shirt, for the "spade" front presents a surface smooth as an evening shirt . . . yet supple and comfortable to a surprising degree! It is tailored for the Men's Shop from cotton broadcloth in attractive black, blue, and tan stripes with two separate collars — one slightly rounded — one square cut. Priced at $5.00. Sizes 14 to 16½.

The ties sketched are from our new selection of English Foulard real silk ties at $2.00 each.

Phone:
AD. 5011 or AD. 5511.

MEN'S SHOP
BAY STREET SECTION
EATON'S - COLLEGE STREET

PRICE BROS. & COMPANY
LIMITED
(In Bankruptcy)

COMMON SHAREHOLDERS

The Trustee in Bankruptcy recently sent you a notice of a meeting to be held at Price House, Quebec, on 29th April, 1936, to consider a Proposal for a Scheme of Arrangement, dated 18th Marah, 1936.

After careful study of this Proposal we are of the opinion that the Scheme offers a satisfactory settlement of the Common Shareholders' claims and therefore **strongly recommend its acceptance.**

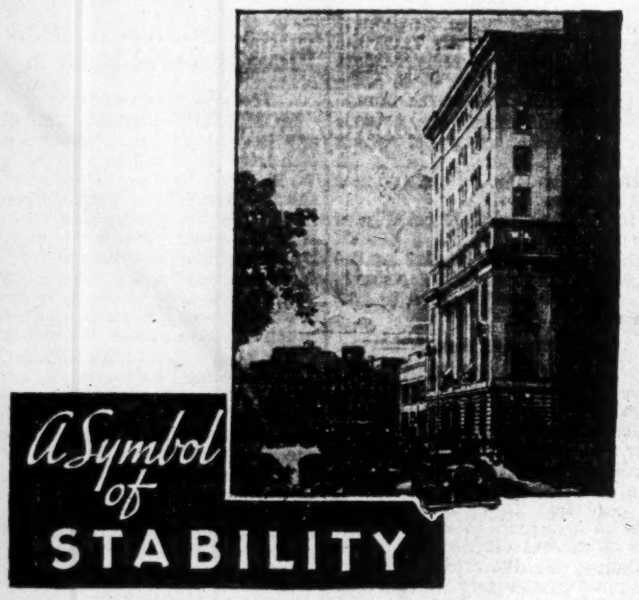
WE THINK IT IS MOST IMPORTANT THAT SHARES SHOULD BE REPRESENTED EITHER BY ATTENDANCE IN PERSON OR BY PROXY BECAUSE IT IS NECESSARY FOR THE VOTES OF THE HOLDERS OF AT LEAST 75% OF THE OUTSTANDING SHARES TO BE OBTAINED IN FAVOUR OF THE SCHEME TO ENSURE ITS ACCEPTANCE.

We therefore urge Common Shareholders to fill out and return without delay to the Honourable Gordon W. Scott, Royal Bank Bldg., Montreal, forms of Proxy, signed in three places, if they have not already sent in completed proxies.

Proxy forms may be obtained from the office of the Honourable Gordon W. Scott, or from the Secretary of this Committee, 235 St. James Street, Montreal.

Yours very truly,

Common Shareholders' Protective Committee
PRICE BROTHERS & COMPANY, LIMITED
(In Bankruptcy)
E. R. DECARY,
Chairman.



BUSINESS INSURANCE is good business and a matter on which you might find it an advantage to be informed. Partnerships particularly have many peculiar angles of relationship which makes business insurance imperative if the future of the business is not to be imperilled.

We will give you information on this vitally important matter if you desire it. Address your inquiry to our Head Office or to our nearest Branch Office.

THE GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE - - - WINNIPEG

The Nation's Business

(Continued from page 1)

changes that seriously embarrass Canadian groups.

When Mr. Bennett cancelled the drawback that had been allowed to Canadian importers of magazine paper he provided for a duty on imported magazines, to offset the effect of the higher costs of Canadian publishers. But many precious months elapsed between the time the drawback was cut off and the duty put on. When the duty was announced, American publishers protested and application of the duty was further suspended for some months to give them an opportunity of adjusting themselves to the new circumstances. The American protests were listened to; the Canadian protests were of no avail.

Last fall Mr. King negotiated a trade treaty with the United States. American publishers made Washington insist upon the abandonment of the magazine tax as an essential feature of the treaty. Under this pressure, Canada took the tax off. But Canada has left Canadian magazines subject to all former taxes and imposts of whatever nature. They may get fairer treatment in the forthcoming budget but in the meantime they will have gone months without relief, important months during which American publishers have poured millions of copies of their publications into this market to establish their positions firmly.

The interests of Canadian workers ought to receive at least as much consideration as the protests of foreign workers.

Income Tax Time Again

Some Last Minute Facts in Annual Compilation

Dominion income tax days are here again. In Ontario residents must include their provincial income tax return with the Dominion for the first time, but in the other provinces there is no change over last year.

Last Minute Income Tax Facts

Here are some last minute questions and answers on the subject:

Question—Who files returns?

Answer—Every person with an income more than the statutory exemption. For example, every unmarried person, widow and widower with an income above the statutory exemption of $1,000 and every married person with an income above the statutory exemption of $2,000, must file a return. It may be that other exemptions on account of children or dependent relatives make it unnecessary to pay the tax but the form has to be completed so that the Dominion income tax branch will know that fact.

Question—When are the returns to be filed?

Answer—The dead line is April 30.

Question—What exemption is allowed for charitable donations made during the year?

Answer—If a person claims exemption on account of charitable donations made in 1935 he would have to attach to the return a list of those donations in duplicate along with receipts as evidence that donations were made. The maximum exemption on this account is 10 per cent of the net taxable income.

Question—What exemption can be asked by holders of shares in oil and gold and base metal mining companies?

Mining Exemptions

Answer—The taxpayer can deduct a depletion allowance of 20 per cent from the dividends received from Canadian metal mining companies. In the case of dividends from oil companies that allowance could be deducted from dividends received from such a company as Royalite Oil Co. because that company draws its product from the ground and its oil and gas are subject to depletion. He could not claim successfully a deduction from dividends of such companies as Imperial Oil, British American Oil, McColl-Frontenac or Supertest Pete. He could make the 20 per cent deduction from dividends paid by International Nickel Co. or Noranda or Lake Shore or Hollinger or Consolidated Smelters. He could deduct 10 per cent from dividends of International Petroleum. Dividends received by one Canadian company from another Canadian company are not subject to tax in the hands of the receiving company. International Petroleum Co. is not a company subject to tax in Canada because its operations are carried on entirely outside of Canada.

Question—What exemption is allowed for operation of a motor car?

Answer—It depends on how the car is operated. A person is allowed to deduct running expenses on his car if it is used in business and if his income is by way of commission. A man on a fixed income is allowed nothing for motor car.

Question—What are the requirements for returns when taxpayer is a man with a wife having a separate income?

Answer—If the wife's income is in excess of $1,000 each can claim exemption of $1,000. Exemption of $400 each for children under 21 years can be claimed by either the man or his wife with separate income but not by both.

One Form, Two Taxes

Question—Are there any different points to consider when computing the amount of the income subject to Ontario tax from the computation for the income subject to Dominion tax?

Answer—There is just one form to be filled up. The only differences are these: 1st, to find the income subject to Ontario tax the taxpayer must add to the Dominion taxable income the net income from Dominion of Canada tax-free bonds which mature in 1937. That income is subject to tax by the province. 2nd, to find the income subject to Ontario tax the taxpayer deducts from the Dominion taxable income whatever is the amount of the Dominion tax payable. The basis for computation of the Ontario income is the income subject to Dominion income tax, and the two adjustments mentioned are then made.

Question — What supplementary information is required for an unmarried person, widow or widower to get the same exemption as a married person of $2,000?

Answer—An additional space is provided on the back page of the income tax form which a householder of that description must fill out. If such a person maintains a self-contained domestic establishment and actually supports therein one or more individuals connected with him or her by blood relationship, marriage or adoption, he is supposed to fill out this additional exemption claim. He has to file it if he is to get $2,000 exemption instead of $1,000. He cannot claim this exemption as a householder simply because he maintains a hired housekeeper. He has to fill out as well the space for names of other dependents than sons and daughters such as brothers or sisters under 21 or a dependent parent or grandparent or an adult relative incapacitated by mental or physical infirmity.

Obituary

W. R. Percy Parker, prominent Ontario Liberal, chairman of the de Havilland Aircraft Co. of Canada, from 1928 to 1934, former president of Canadian Trans-Lux Corp., and director of a number of Canadian mining and industrial companies. He was vice-president of Mining Corp. of Canada. Mr. Parker was born in Brantford, Ont, 64 years ago.

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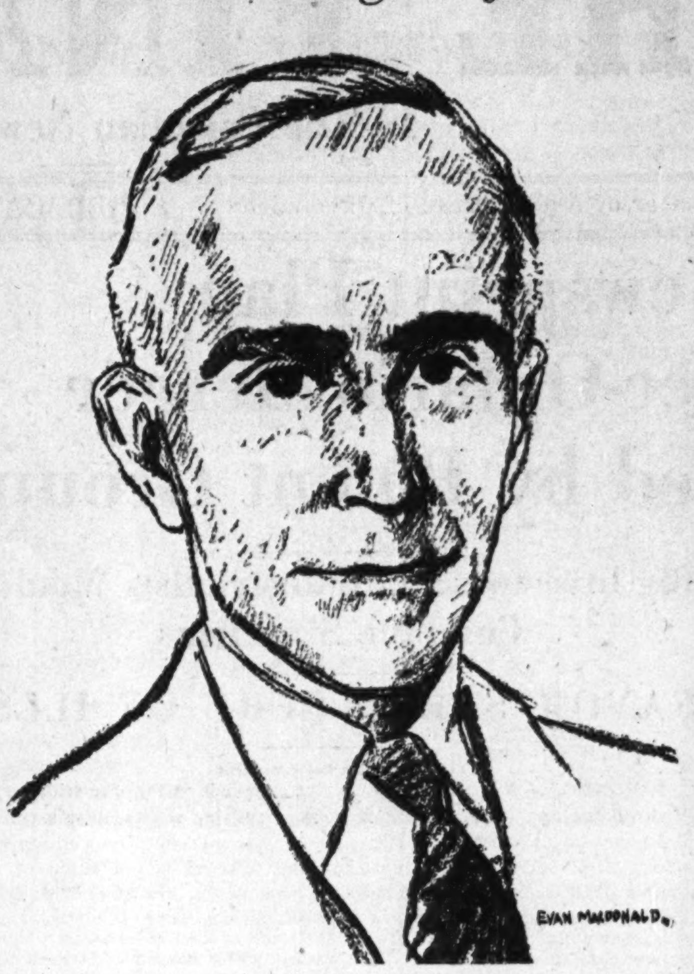
Purvis Unlikely to Make "Guinea Pigs" of Jobless



—*Drawn from life by Evan Macdonald, O.S.A.*

ARTHUR B. PURVIS

President and managing director of Canadian Industries Ltd., who has been appointed chairman of the National Employment Commission.

More work, rather than a new division of existing employment, would appear to be the objective that A. B. Purvis, young Montrealer, brings to his first Canadian public position, that of chairman of the National Employment Commission to be set up by the King government.

"Carving never increased the amount on the platter," Mr. Purvis told a meeting in Montreal a year ago. Similar utterances since that time would indicate that this leading Canadian industrialist has seen no reason to deviate from such a philosophy in dealing with the Dominion's major problem of unemployment.

Can't Buy Back Prosperity

He has shown little sympathy with the recent American experiment "to buy back prosperity with unlimited expenditures from the public purse," with "deliberate monetary manipulation in an effort to adjust the debt burden," and with "active intervention in the running of industry by the government itself."

Such steps he believes only result in spreading the area of stagnation and lowering the confidence and character of the people.

"Success attends those who conduct their experiments first in the laboratory, not those who work out these experiments on a factory scale. Can we not avoid treating our whole population as guinea pigs for economic experiments?"

Potential Expansion

Within our present industrial framework, Mr. Purvis evidently believes that there is plenty of potential expansion to care for a very large proportion of those unemployed. Recent scientific progress, particularly in the housing, automobile, airplane and railway fields, he told a Toronto audience, has been sufficient to "keep us all busy for a considerable time to come."

But the new chairman of the National Employment Commission warned his audience that "development along such new lines does not flourish unless there is confidence in the future, combined with a taxation policy calculated to entice those with savings to seek outlets for profit in new enterprises and particularly in housing enterprise.

"This should bring about a sharp acceleration of the upturn already evident in this field, upon which upturn the absorption of so much of the remaining prevalent unemployment depends."

Government Regulation

While pointing out that governments are unable to produce "rabbits out of hats," Mr. Purvis has not "a closed mind" in regard to regulation and reform of industry. "Such reform is and always has been necessary and has always been going on in some degree and manner," he has said. "Every machine is capable of improvement but you don't need to scrap the machine and go back to standards of living consistent with manual labor every time you see need for such improvement."

"In industry and in financial life a change has come over methods of running institutions, based on a better concept of what is fair, coupled with an increasing realization that fairness both to the consumer and employee pays."

Came to Canada in 1925

A London-born Scot, Mr. Purvis after extensive business experience with chemical industries in Great Britain, South America, Africa and United States, came to Canada in 1925 to head Canadian Industries Ltd. He is president and managing director of the latter company and in addition a director of the Bank of Montreal, Bell Telephone, Sun Life, General Motors and numerous other companies. He is married, lives in Montreal, has one son and was born in 1890.

SASKATCHEWAN REQUESTS HELP OF LOANS COUNCIL

(Continued from page 1)

additional capital to launch public works and, in this way, banish unemployment.

It may be taken as official that he will obtain no Dominion guarantee except under the terms offered to Alberta. His proposed public works programme is out of the picture entirely.

B. C. Default Likely

In these circumstances, the default of British Columbia is thought certain, qualified, of course, by whatever success Mr. Pattullo may have in raising money on the credit of the province.

Several other angles to the western debt problem are receiving close attention. Manitoba, due to a happy circumstance, does not have to meet a large maturity until Feb. 1, 1939, and, depending on future business conditions, may escape default.

U. S. Johnson Act

There is, too, the effect which the two possible defaults may have on the national credit. Both these issues are gold bonds and both are held, in substantial sums, in the United States. The Alberta default occurred on a purely domestic issue.

The view at Ottawa is that the default of B. C. and Saskatchewan will not injure the credit of the Dominion or the other provinces in the United States. The Johnson Act, which excludes defaulting states from the U. S. market, would not apply in a national sense. That is the view in official circles and only the event will prove whether it is right or wrong. But even if the Johnson Act meant the exclusion of Canada from the U. S. there would still be no deviation from the present policy of separating Dominion and provincial credit. On this policy the Dominion cabinet is unanimous.

The alternative, it is believed, would be to open the Dominion treasury, without limit or control, to the provinces. So long as the Dominion would not permit them to default, their credit would be just as good as Ottawa's and they could proceed to use it in financing public works or any other scheme of spending.

Question of Legislation

Finally there is the question of what is to be done with the loans' council legislation now on the order paper. If this legislation is not proceeded with this session, the Dominion will have no statutory authority to assist the provinces, whether or no they change their views with respect to it. Once Parliament prorogues, the provinces will be beyond the reach of the Dominion, so far as help is concerned, until 1937.

The legislation was introduced by Hon. Ernest Lapointe, minister of justice, following the Dominion-provincial conference last January which brought unanimous endorsation of the policy. Subsequently, Alberta declined to co-operate and B. C. is reported to be following Alberta's lead. Because the legislation is voluntary—that is, no loans council would be set up except by request of the province concerned—it was believed that the Dominion would proceed with it notwithstanding the attitude of some of the western provinces.

Cabinet Views

In March, however, the constitutionalists in the cabinet began to evidence shakiness. They argued that the Dominion has no right to proceed with an amendment to the constitution, which proposes to interfere with provincial rights, if some of the provinces are opposed to it.

Case for Action

The other group in the cabinet believes that the legislation should be enacted forthwith. As it is voluntary and not compulsory, no loans council could be created except with the co-operation of the province concerned, so that in no case can provincial rights be imperilled. This group is now arguing that the Dominion must proceed with its legislation this session so that the means of rescuing the provinces, before or after default, will be at hand, ready for instant use.

The issue, so far as may be learned, has not yet come before the cabinet but will have to be decided within the next month.

UTILITY STOCK HOLDERS SUE UNDERWRITER

(Continued from page 1)

power and further that 40,000 h.p. was not available up to the end of 1929; that the contract with Montreal Power is not as set forth in the prospectus; that the rate of increase in power demand was false as there was no reasonable likelihood that the entire annual capacity of Montreal Island Power would be utilized and sold; that there was no reasonable probability of the estimated earnings being earned; and that the development had not been favorably reported on in the sense which the words were used in the prospectus.

Defense Files Statement

In the statement of defense, the defendants state the information contained in the prospectus as to the amount of power available for development and the contract with Montreal Power was not guaranteed. but was believed to be true and gathered from sources believed to be reliable. The defendant claims that 40,000 h.p. was available before the end of 1929.

The fact that further units were not installed in accordance with the provision of the contract was due, the defense claims, to Montreal Power having secured control of the company and then having decided to take power from other available sources and consequently not to put Montreal Island Power in a position to supply additional power under the power contract by installing further units.

It is expected the action will proceed to trial before the Supreme Court of Ontario toward the end of next month. It will be largely in the nature of a test case as there are four other actions against Nesbitt, Thomson & Co., the pleadings on which are practically the same as in the Pigott claim.

CROP REPORTS

AS in previous years, the Bank of Montreal will publish during the season frequent reports on the progress of the crops.

These crop reports are telegraphed to various centres, from which they will be mailed free to all who require them.

Application to be put on the mailing list may be made in person or in writing at any Branch of the Bank.

The Bank also publishes throughout the year a monthly summary on business conditions. Copies of this are also available free on application.

BANK OF MONTREAL

PRICE BROS. TIED IN GRIP OF PACONA

(Continued from page 1)

This would involve an outlay of more than $15 millions.

While the interests back of the reorganization plan are able to draw upon substantial financial resources, some difficulty might be experienced in raising an amount of over $20 millions which would be needed to pay off the bondholders, unsecured creditors and provide Price Bros. & Co. with sufficient working capital.

Opposition is Strong

There are numerous indications that Pacona's principals, Lehman Bros. and Aluminium Ltd., will not have an easy time if they attempt to secure control of the property through foreclosure proceedings.

It is understood that considerable pressure has been brought to bear, and further it is rumored that the Quebec government may pass special legislation of a nature favoring an internal reorganization.

Little Time Left

Next week the shareholders and unsecured creditors meet in Quebec to vote on the reorganization plan. Both the preferred and common shareholders' protective committees have been making every effort to secure the necessary majority in favor of the plan. It is believed that the unsecured creditors favor it, though it is necessary to have Saguenay Power Co.'s support for a majority vote.

Matters would be made much easier if some indication is forthcoming this week from Pacona as to what attitude it will adopt toward the reorganization. If the Pacona interests decide on a fight for control of the property, the reorganization may be deferred for an indefinite period.

Purchasing Bonds

Pacona Ltd., representing Lehman Bros. and Aluminium Ltd., has acquired from the Bondholders' Protective Committee $8,598,600 of Price Bros. & Co. first mortgage bonds. The amount of undeposited bonds turned over to Pacona is $1,585,800. As the total amount of Price Bros. bonds outstanding is $11,061,600, there remains only $877,200 in the hands of the public and outside of Pacona's control.

Complete control of Price Bros. bonds apparently is the objective of Pacona, as the latter has announced that it will continue for the time being to accept bonds through the Bank of Montreal on the same terms as previously announced.

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"The Money Mystery"—By Sir Norman Angell

World Famous Economist Strips It of Technicalities, Confusion, Complications

The Chief Truth Of Money, Goods

This is the fourth of a series of articles written especially for The Financial Post by Sir Norman Angell, in which the world's most interesting writer on the subject sets forth in simple, understandable language an explanation of money and credit.

By SIR NORMAN ANGELL

SIR NORMAN ANGELL

Having dealt in the previous article with the Chief Money Illusion—which is broadly that money, even when it is the precious metals, is itself wealth and that a nation enriches itself by the simple fact of increasing its store of money—we deal in this chapter with what might be called the Chief Money Truth. This truth is that when you do increase the quantity of a nation's money out of proportion to the quantity of goods or exchanges to be made, you get a rise of prices; that when you decrease it, you get a fall. The qualifications to this general principle will be indicated later; as also what follows economically as the result of a fall of the price level.

In previous articles we saw how naturally almost everywhere the precious metals, gold and silver, became money. There then arises one question which is the most important of all in the whole story.

Knowledge Solves Knotty Problem

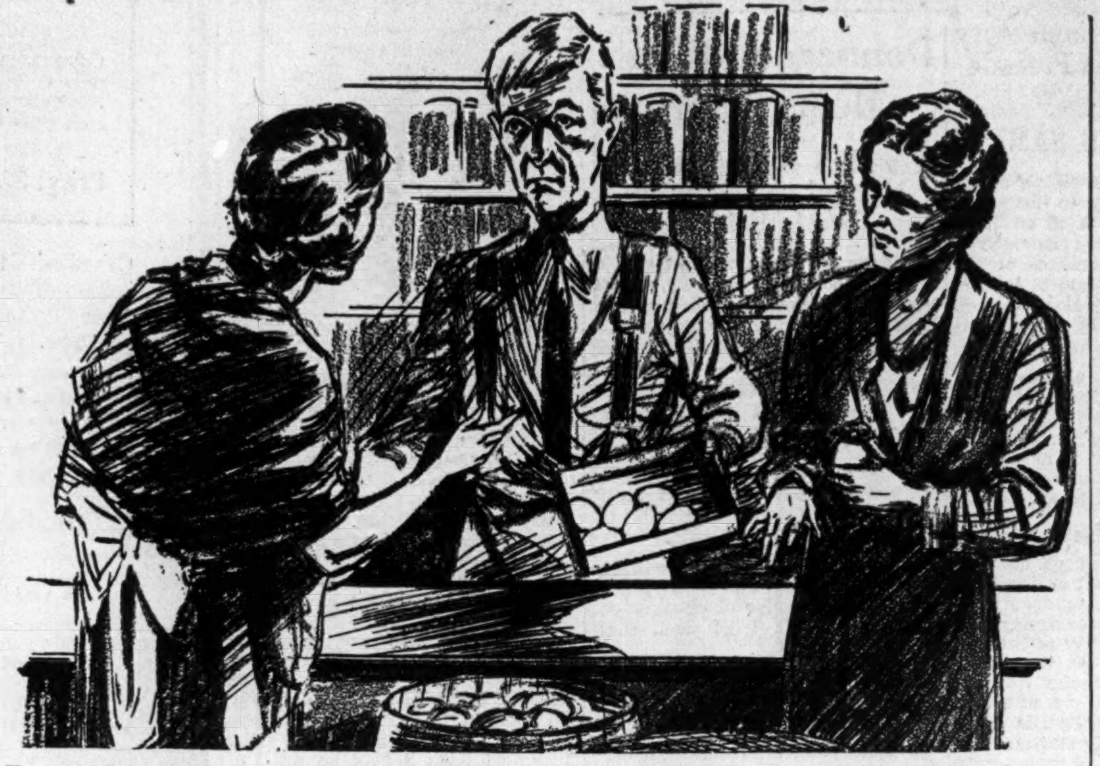
When a commonly accepted commodity, say gold, has become money, the question which perpetually arises is: "How much for a given quantity of goods?" In Queen Elizabeth's day you could buy an ox for two or three grammes of gold. Why do we today have to give twenty times as much? Or to put it in more familiar terms, why could we buy for twenty shillings in Elizabeth's day an amount of beef for which today we should have to pay twenty pounds?

The answer is quite simple, and once its implications are understood most of the knottiest problems about money are understood.

If we have to give more gold or silver today than in Queen Elizabeth's time for a given quantity of goods; if, as the expression is, money had more value then, so that an income of fifteen to twenty pounds a year sufficed to make a whole family rich, it is because as compared with Elizabeth's age there is much more gold and silver in use as money in proportion to goods than there was then. It is not merely that we have had since Elizabeth's time the vast outpourings in precious metals of the Americas, the floods that went to Spain from Peru and Mexico, and those that later poured into Europe from California and Australia and the Rand, but such quantities of the metals as we do now possess do much more money-work than in the sixteenth century, are turned over more quickly owing to the devices of banking and credit.

Gold and silver are commoner than they used to be, and you have to give more of them for other commodities.

Where, of course, particular commodities have become much commoner, you can get them sometimes for less gold than the Elizabethans had to pay. Certain spices, sugar, tea, tobacco, were once as rare as they are now common. Things like clocks and watches, which are now produced by the million by machinery which did not then exist, are, as distinct from things like oxen, sheep, chickens, fish, eggs, much cheaper now than they were then. While you could not in King James's day buy a watch for five shillings as you can now, you could then buy a house for five pounds, or, say, a couple of ounces of gold.



Eggs sold during a fever epidemic at two or three dollars apiece — half a dozen for an ounce of gold dust. They had to be brought precariously from farms 150 miles away. The result was that eggs were almost literally "worth their weight in gold."

Samuel Johnson saw the truth about money and goods when he was told during his visit to the Hebrides that he could buy twenty eggs for a penny. "Whence I assume," he replied, "not that eggs are plentiful on your wretched island, but that pence are scarce."

Mine Camp Luxuries an Example

The same truth was brought home to the present writer when as a boy in the mountains of California he heard miners tell of the days when in remote mining camp eggs had been sold during a fever epidemic at two or three dollars apiece—half a dozen for an ounce of gold-dust. To secure a few eggs might have been a matter of life or death for invalids; eggs had to be brought precariously on mule-back from farms perhaps a hundred and fifty miles away—and gold-dust was relatively plentiful. The result was that eggs were almost literally "worth their weight in gold."

While most people find it fairly easy to understand why we are compelled to offer more money for a thing which is scarce (and for which there is a demand) than for something which is common and plentiful; why, in other words, the price of a commodity falls when it is plentiful and rises when it is scarce, they find it much more difficult to understand why prices should rise because money has become more plentiful.

Let us imagine a case connected with those eggs in the mining camp. A miner lies near death's door with fever, and can digest nothing but the white of egg; if he cannot get it he will die. His wife says: "Whatever it costs, I will get eggs"—of which there are only a few at the camp store. "My husband," says the wife, "has plenty of gold-dust, which won't be much use to him if he dies." But another miner in the camp is in the same situation, and his wife has made the same resolve. The two wives meet in the store, the first saying to the storekeeper: "I want the half-dozen eggs you've got—the price does not matter. Now the storekeeper's business is to sell his goods for the best price he can get. He does not know either of the women or either of the miners. So he says: "I could sell those eggs a dozen time over just now. What will you give?" The first customer replies: "An ounce of gold-dust" (which is at the rate of $6 apiece). But the second customer, thinking of her sick husband, and her resolve to get the eggs, no matter what they cost, says: "I will give you two ounces." The first may raise this offer. And so it goes on.

Many Refuse to Believe

In the case of the eggs in the mining camp both factors of price entered; eggs were scarce and gold was relatively plentiful. If eggs had been plentiful, prices, even with a great deal of gold-dust about, would have fallen. True, people would commonly have eaten eggs for breakfast, but very few people want a third egg at breakfast, and hardly any a fifth or sixth. You would pay hardly anything, if indeed anything, for a sixth egg at breakfast.

Although it has been proved by actual experience on literally hundreds of occasions throughout history that if you increase the amount of money without increasing the amount of goods, prices must rise, there are still a great many people who refuse to believe it; indeed a great many flatly deny it.

When the general level of prices rises or falls we are apt to think of it as something necessarily happening not to money but to goods. The Frenchman, who found in 1927 that he had to give ten francs a dozen for eggs instead of two francs, spoke of the outrageous price of eggs, or butter, or bread, and the profiteering of grocers or of bakers. And even in Germany it was only toward the end of the inflationary orgy that Germans began to talk of the fall in the value of money, instead of the rise in prices.

Particular prices are always rising and falling because price is the index of relative scarcity of goods; and even the general price-level may fall because of a general rise in productivity—a "factor on the goods side." But variations which are plainly monetary are often regarded as a "goods factor." Moreover, the general truth, that if you increase the amount of money out of proportion to goods or exchanges you get an increase of prices, is disguised by various complications, as that though the amount of money at a given juncture may be increased, part may lie idle, be hoarded, and so count as non-existent; or that though at another juncture the amount may be decreased, the smaller amount may be very active, performing as many exchanges a day as a corresponding amount of money in other circumstances may in a year. The same amount of money doing more work has the same effect as though there had been an increase of money.

It is vital, however, to clarify the general principle before introducing the complications, even though we may over-simplify our phraseology. It is a good working principle in planning the drainage of your field to say that water will not run uphill. But it is not strictly true, for water runs uphill every time you suck lemonade through a straw. So, in the same way, it will be broadly true to say that if you have an increase of money out of proportion to increase of goods, you will get a rise of prices; increase the amount of money in circulation and you must give more of it for a given quantity of goods; decrease it and you get goods for less.

The most visible illustration of this truth in recent times has been the experience of Central Europe during the period of inflation. After the war the Austrian and German governments (to take only two cases) found themselves in difficulty. They had to have money to carry on. So they manufactured it, printed it.

At first, in Germany, prices rose slowly; then, towards the end, at such a rate that wages had to be adjusted twice a week to keep pace with the rise; then shops had to close in the middle of the day to readjust prices. A pair of boots cost twice as much at six in the evening as they did at ten in the morning. And if you ordered a glass of beer (which you paid for in millions or billions of marks) you usually ordered two glasses, as if you did not, the second would cost you more than the first.

A historian writes of that period:

"The height of absurdity was reached in December, 1923, when the average weekly wage of a metal worker was almost 30,000,000,000,000 (30 million million or 30 trillion) marks, or about 850 billion times the 1913 wage, while the cost of living had increased about 1,250 billion times. This working-man Croesus, with trillions of marks, was barely able to pay the butcher, the baker, and the paper-shoe maker, since his 30 trillions would buy only about 70 per cent as much as his 36 marks would in 1913.

"In one week in January, 1923, the wages of skilled labor of all kinds had advanced more than 1,100 times; so that the workman's weekly wage of 18,000 marks would buy less than half what his weekly wage of 35 marks bought in 1913. At last, the ratio of depreciation became impossible to calculate, and the mark was finally stabilized at one trillion to one."

The Same Had it Been Gold

Now let us assume that some German chemist had discovered just after the war a way to make gold as cheaply as paper (gold has been manufactured in tiny quantities), so that the German money, instead of being paper, had been gold. All the fantastic results we have just described would have been exactly the same though all the money was pure gold instead of being paper. The fact of being a gold money would not have made the slightest difference, if the gold could be issued in illimitable quantities like paper. (Its use as a standard of value would, of course, be no greater than that of any other easily produced material —coffee or rubber or wheat). The crucial fact is not the material but the quantity. It is precisely because gold cannot be manufactured, and that there is thus imposed an automatic check on its quantity, which makes it valuable as money. But the fact itself is vindication of the Quantity Theory.

Looking back on the post-war monetary history of Europe we see clearly that experience confirms the generalization that increase in quantity of money in proportion to goods and the number of exchanges to be made, means a rise of prices; decrease, a fall.

Indeed, the two effects are obviously part of the same truth: if all that paper money had not been created, Germans could not have paid a billion marks for an egg. When the quantity of money was cut down by returning to gold, the price dropped from a billion marks to a fraction of one.

There are, as already indicated, certain qualifications in detail to be made to such a statement. But it is as broadly and generally as true as our adage that "water will not run uphill"—which, as we have seen, is not strictly true. Unless we can realize the why and wherefore of the simpler statement about the habit of water, we are unlikely to understand the mysteries of syphoning and other hydrostatic phenomena.

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Crown Trust
EXECUTORS TRUSTEES Company FINANCIAL AGENTS

William I. Gear, *President.*
John Jenkins, *Vice-Pres.* Arthur Lyman, *Vice-Pres.*
Irving P. Rexford, *General Manager.*
393 St. James Street West - Montreal.

MARA & McCARTHY

Members { Toronto Stock Exchange
Montreal Curb Market
The Canadian Commodity Exchange Inc.

Canada Permanent Bldg., 320 Bay Street, Toronto
Telephone — Adelaide 9151

Your questions regarding Canadian securities answered by personal letter free of charge if you are a subscriber by mail to The Financial Post. Have The Post sent you regularly and reap the benefit of this valuable extra service. Make it part of your investment programme. Send in your $5 now for the next 52 issues.

PRICE BROS. & CO. Ltd.
In Bankruptcy

PREFERRED SHAREHOLDERS

The Trustee in Bankruptcy recently sent you a notice of a meeting to be held at Price House, Quebec, on 29th April, 1936, to consider a Proposal for a Scheme of Arrangement, dated 18th March, 1936.

After careful study of this Proposal we are of the opinion that the Scheme offers a satisfactory settlement of the Preferred Shareholders' claims and therefore strongly recommend its acceptance.

We think it is most important that shares should be represented either by attendance in person or by proxy because it is necessary for the votes of the holders of at least 75% of the outstanding shares to be obtained in favour of the scheme to ensure its acceptance.

We therefore urge Preferred Shareholders to fill out and return without delay to the Honourable Gordon W. Scott, Royal Bank Bldg., Montreal, forms of Proxy, signed in three places, if they have not already sent in completed proxies.

PRICE BROTHERS & COMPANY, LIMITED
PREFERRED SHAREHOLDERS' PROTECTIVE COMMITTEE

393 St. James St.,
Montreal.

R. H. COLLIS,
Chairman.

Montreal Tramways Co. Place Order For New Buses

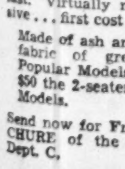
MONTREAL. — Montreal Tramways Co. have placed an order with Associated Equipment Co. of Canada for seven 38-passenger electric trackless trolley buses.

Delivery will be made in the early fall, when the buses will be placed in service in Montreal. The new buses incorporate all the latest developments in this form of transportation and will be tried out experimentally in Montreal and, if successful, will be added to in substantial numbers.

English Electric Co. Gets Diesel Contract

MONTREAL. — English Electric Co. of Canada is co-operating with the English Electric Co., of England, in manufacturing and installing two 400 b.p.h. eight-cylinder "K" type Diesel engines. The engines will be used for direct coupling to alternators for supplying electricity to two Canadian paper mills; the alternators will be manufactured in Canada.

The FOLBOT FOLDING BOAT BRITISH BUILT



The only
PORTABLE CANOE
. . . the FOLBOT

Portable in two bags. Safe — Roomy—Seaworthy. Fast to Sail or Paddle. Set Up in 15 Minutes

A canoe you pack up and take wherever you wish, like ordinary luggage. A real, full-size, seaworthy craft that has been proved on all waters and in all climates from the Arctic to the Equator. That is the FOLBOT, ideal canoe for holidays and camps—invaluable to travellers. Built to last. Virtually non-capsizable. Inexpensive . . . first cost is last cost.

Made of ash and multi-ply rubberised fabric of great strength. Prices: Popular Models $45 the Single Seater. $50 the 2-seater. 3-seaters and Sports Models.

Send now for Free ILLUSTRATED BROCHURE of the British Built Folbot to Dept. C,

FOLBOT FOLDING BOATS LTD.
1258 McGill College Avenue, Montreal, Que.
Stocked by all Leading Stores

CHEVROLET'S UNMATCHED "EXTRAS" PROVE ITS OUTSTANDING VALUE

Complete the Thrill of Spring with
THE ONLY COMPLETE LOW-PRICED CAR

PRICED FROM
$772
(Standard Series 2-pass. Coupe)
Master DeLuxe Models from $905
Delivered at factory, Oshawa, Ont. Fully equipped. Freight and Government Registration Fee only extra.

IF, this spring, *your* fancy turns to thoughts of open, beckoning, green-bordered roads—here's a seasonable suggestion.

First, check up on your present car . . . Total up what you'll have to pay for conditioning, tune-up, tires and incidentals to put it into safe, dependable shape for summer motoring.

Second, drop around to our showrooms. Come for a drive in the new, 1936 Chevrolet—The Only Complete Low-Priced Car—the only car in its class that offers you Turret Top Fisher Bodies, Hydraulic Brakes, *Knee-Action, Valve-in-Head engine, Fisher No-Draft Ventilation, Safety glass throughout. Then see how little it costs you to *own* a Chevrolet right now—on the new, greatly reduced 7% GMAC time payment plan!

**On Master DeLuxe Models*

C-386

GENERAL MOTORS PRODUCTS

See, Drive and Compare the Chevrolet Models on Display at Your Local Dealer's Show-room

CHEVROLET

Investment Trends

Stock Prices Decline Testing Low Levels

Political Uncertainties Adverse While Economic Recovery Appears Hesitant — High Volume of Funds Basic Support for Investments

Economic recovery has been hesitating. However, there appears little doubt that the cumulative nature of recovery forces will effect further advances. Well-informed opinion is that broad recovery of building and capital goods trades can be expected but probably not before 1937 or 1938.

Political influences in Canada and abroad are likely to continue to disturb investment markets. Politics account for the difficulties in Canadian public finance. Political uncertainty will continue in the United States pending elections. Breakdown of collective security in Europe is a consequence of the political peace of 1919, and is worrying private as well as public men of importance. It may mean a dangerous trail before the Versailles treaty is finally scrapped.

While the recent slump of stocks can be partly attributed to these things. Some recession has been due anyway. It is not yet clear, however, that the anticipated 15 per cent decline of stocks is under way.

Test of Lows

DOWNWARD movement of stock prices on Canadian markets and in New York is a test of the lowest points reached in March. If these low levels were broken all along the line, analysts of the averages would expect a zig-zag downward trend to extend some distance further. Meanwhile, intermittent strength would be expected.

Stock market history indicates a decline of considerable proportions should eventually develop to offset part of the rise of the past year. And a downward movement would be interrupted by occasional advances.

Important points in industrial share averages for support of prices are: Montreal, 71; Toronto 128; New York (Dow-Jones) 149.

A healthy decline over the next month or two would lay a foundation for better prices later this year.

* * *

Wary of Sales

THERE was a sharp decline in net purchases of Canadian securities by outsiders in February, 1936, as compared with January. This is shown in Dominion Bureau records of purchases and sales across international boundaries, compiled from banks, stock brokers and investment dealers. An abbreviated comparison:

New Purchases of Canadian Securities
(In millions of dollars)

	Feb. 1936	Jan. 1936
By United States	8.0	16.3
By Great Britain	2.5	8.0
By others	..	*.4
Total for month	10.5	23.9
First Two Months:		
By United States	24.2	*4.3
By Great Britain	10.5	.6
By others	*.3	*.4
Total for 2 months	34.4	4.1

* Net sales.

Net purchases in February were less than half those for January. For the first two months of the year, however, net purchases by outsiders were $34.4 millions, whereas there were net sales in the 1935 months, largely on account of the McGeer agitation at that time for reduction of Vancouver's debt charges.

Oddly enough, there doesn't seem to have been a volume of selling following the recent Alberta default. One effect of selling would be to depreciate the Canadian dollar and this in itself would tend to check the sales by making them less remunerative. One reason for the absence of sales has been the lack of buyers in Canada for securities of western provinces. Had Canadians been substantial buyers, they would have had to buy foreign exchange and this would have driven the dollar to a considerable discount.

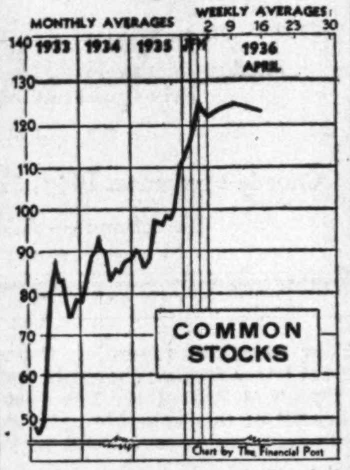
* * *

Basic Facts

THE important basic feature in investment markets is the vast quantity of liquid funds indicated by continued low rates on prime securities and short-term investments. The unavoidable result of the money situation is to make for strong underlying support for securities upon which present and prospective returns are reasonably attractive.

New financing has been confined largely to reissue of securities. Until new borrowing arises in some volume, money rates and yields on securities are expected to stay low, which is the same thing as prices remaining fairly high, especially on stable, "investment" stocks.

Going Down



Common stock prices declined to 123.3 in the Dominion Bureau index for the week ended April 16 and have gone lower since then. Comparative indices appear on this page.

* * *

Banks in Canada and elsewhere have been such heavy buyers of government securities that their shares take on at least partially the aspect of investment trusts in high quality bonds. Charges for banking privileges will help check falling bank earnings. Meanwhile the unusually high liquidity of the banks leaves them easily capable of taking advantage of any opportunity to make sound commercial loans and to recover part of lost revenue.

* * *

Sugar firms continue to suffer from price disturbance in central Ontario, as is evidenced by the new report of Canadian & Dominion Sugar Co.

* * *

Sale is being conducted at low prices of the inventory of the bankrupt Associated Quality Canners, with resultant competition for food store chains and prices for canned goods.

* * *

Cold weather has cut into sales of breweries in Ontario, but comparison with last year is still expected to be favorable.

Canadian Bronze Co. Stock Sale Over-subscribed

From Our Own Correspondent

MONTREAL.—Recent offering of $750,000 of five per cent cumulative redeemable preference stock of Canadian Bronze Co. was over-subscribed. Approximately 80 per cent of the issue was taken up by the old preferred shareholders, while applications from common shareholders and the general public were approximately 10 times the balance of stock available. It has been necessary to make allotments on this balance of stock on the basis of approximately 10 per cent of the amount applied for.

Montreal Stock Values Above Last Year's Figure

From Our Own Correspondent

MONTREAL. — Total value of stocks and bonds traded on the Montreal Stock Exchange and Montreal Curb Market amounted to $7,736 millions as of Mar. 31, a decrease of $19 millions from the previous month. When compared with a year ago, values show a gain of $1,367 millions.

Hayes Wheel Plan Passes

Reorganization of capitalization of Hayes Wheels & Forgings, Merritton, was approved almost unanimously by security holders on April 17.

The scheme provides for reduction of present 6 per cent first mortgage bonds by half and extension of maturity to Oct. 1, 1950. The remaining half would be replaced by 6 per cent non-cumulative preference stock. These securities would all go to bondholders.

Holders of the present preferred receive three new common shares for each preferred share under the terms of the scheme. Holders of common are to get one new share for each 10 shares now held.

McColl Plans To Issue Stock

Provide Means For Calling Preferred and Bonds

From Our Own Correspondent

MONTREAL. — McColl-Frontenac Oil Co. is calling a special meeting to ask shareholders to vote on a new by-law, already passed by the directors, increasing the authorized amount of no par value common stock from 750,000 to 2,500,000 shares. If the new plan carries the company will have available in its treasury an unissued balance of 1,840,000 shares.

The additional shares will be used for the purpose of eliminating both the six per cent first mortgage bonds and the six per cent cumulative preferred stock, so that in the end the company's capital will consist only of common shares.

Over $17 Millions Ahead

At present the company has outstanding $9,360,000 of six per cent first mortgage bonds, which are now callable at 104. The outstanding preferred stock is $7,841,700. This issue is callable on 30 days' notice at 105.

It is reported that when the refunding operation is carried out, the additional common stock will be offered to the present common shareholders in the form of rights. Balances of such offerings not taken up by the shareholders will be sold privately.

Canadian Celanese Sales To Date Above Year Ago

From Our Own Correspondent

MONTREAL.—Sales of Canadian Celanese so far this year were ahead of the same period last year, according to a statement made by Dr. Camille Dreyfus, president, at the annual meeting of shareholders.

In response to a query, Dr. Dreyfus indicated that up to this point the company had not felt the effects of Japanese competition, pointing out, however, that such competition had been met by the producing of rayon goods, while the products of Canadian Celanese are cellulose acetate, which is not produced in Japan.

The report for 1935 was presented and approved and directors reelected.

Russell Motor Pays $1 a Share on Arrears

Regular quarterly dividend of $1.75 and a payment of $1 per share on arrears of dividends have been declared on preferred stock of Russell Motor Car Co., Toronto. Both payments will be made May 1 to shareholders of record April 22.

After this payment, total arrears on the preferred stock will amount to $3 a share.

National Utilities Corp. Seeking 6 p.c. Bonds

National Utilities Corp. Ltd., has paid approximately $3,300 to the trustee to purchase 6 per cent first mortgage bonds for the sinking fund. Offers to sell bonds will be received by Chartered Trust & Executor Co., Toronto, up to April 25, 1936.

Dominion Tar Meeting Routine

From Our Own Correspondent

MONTREAL.—Dominion Tar and Chemical Co.'s recent annual meeting was along routine lines, the report being adopted and directors reelected.

No Prejudgment Asks T.A.Russell

Suggests Parliamentary Enquiry Should Precede Vital Decision

U. S. PRICES SAME

"I am somewhat unwilling to get into any discussion as to the prices of implements or the tariff on them, because the matter has been referred to an important committee of the House of Commons," said T. A. Russell, president Massey-Harris Co. in answer to questions by The Financial Post.

"That committee is already sending out detailed questionnaires with a view to bringing out all the facts it thinks essential, and it would seem perhaps improper for us to attempt to discuss the subject and anticipate anything they intend to do.

Wait For Probe

"When the government cut the agricultural implement duties from 25 to 12½ per cent on January 1, 1936, under the United States agreement, there was no possibility of investigating the situation at that time. Now, however, an enquiry into the prices and other matters affecting agricultural implements has been ordered and is already started. Under these conditions, it seems only fair to await the findings of the committee which has undertaken this work before attempting to reach a decision affecting so vitally an important industry like the agricultural implement business.

"Perhaps, however, I might mention that we have made an investigation into the prices at which our implements are sold both to the farmer in Canada and in overseas countries which we serve. We cannot find a single implement in our list that is not sold more cheaply to the Canadian farmer than to those outside of North America.

"Dealing with North America (which includes the United States and Canada) we find that Canadian prices, while varying on individual items, are in total on a representative list, almost identical with the prices from American manufacturers to American farmers.

To Aid Farmers

"For Canadian and United States prices to be the same is a very unusual condition because, owing to their larger operations and their proximity to raw materials and markets, United States manufacturers' costs are lower than ours, and our prices on implements have, therefore, generally been somewhat higher than those in the United States. However, due to two factors:

(a) Our reducing the selling prices of Canadian implements in 1932, when agriculture was so depressed in Canada, and United States prices remaining practically unchanged, and,

(b) The increase in United States prices in 1934 and 1935, when we did not increase in Canada,

we have reached a point where our prices in Canada, even after the increase that has been made on certain machines this year, are no higher than in the United States. For this reason we feel that no attempt should be made to judge the case until the findings of the committee are available

"Might I add that we intend to cooperate with the farmers as we have in the past; i.e., we will maintain our stocks of implements and spare parts (which are kept at about 1,000 different points in Western Canada) and we are planning to continue to sell not only for cash but on one and two year terms. We have confidence in the future of Western Canada and we propose to continue co-operating with the farmer in working out our common problems."

Donnacona Plan Meets Approval

A and B Stocks Will Be Merged on December 31, 1941

From Our Own Correspondent

MONTREAL.—Holders of the 5½ per cent first mortgage sinking fund bonds of Donnacona Paper Co. have approved the plan of reorganization dated Feb. 25, 1936, last as amended at the meeting.

The amendment provides that after the company has fulfilled all its obligations under the trust deed, the Class A and B shares will be merged into one class with equal voting rights.

Merger is Obligatory

The two classes of shares will become merged into one class on Dec 31, 1941, irrespective of whether obligations on the trust deed shall have been fulfilled.

Now that the plan has been adopted by bondholders, separate meetings will be convened of holders of the Class A and B shares to vote on the same plan, after which it will be submitted to the Superior Court prior to applying for supplementary letters patent.

The company has had an act introduced in the Quebec legislature providing for a fixed assessment of $1.3 millions for five years on its properties at Donnacona, Que.

Can. General Investments Quarter's Income Up 10%

Canadian General Investments is understood to have had an increase of about 10 per cent in income available for dividends in the first quarter of this year. Continuation of this rate of increase would bring 1936 earnings above 50 cents a share. In 1935, net after taxes, etc., was 46 cents a share. The present annual dividend rate is 40 cents a share.

There appears to be some prospect of further improvement in income this year, depending on dividend policies of companies whose shares are held in the investment trust's portfolio.

Break-up value of the portfolio is understood to be close to $12 a share, whereas the stock has been selling at slightly above $8 a share between unlisted security dealers.

Investment Notes

Can. & Dominion Sugar—Effects of price-cutting in central Ontario are reflected in the new annual report. Earnings were $3.46 a share compared with $4.37 a share in the preceding year, ample to cover dividends of $2.50 a share. Decline of the shares below 60 is an indication of competitive conditions affecting earnings.

* * *

Canadian Canners—It should be noted that larger debt redemption and sinking fund charges on new bonds absorb more than the saving on interest charges in new financing. However, as debt is reduced interest charges will be reduced further.

* * *

Canadian Dredge — Signed contracts for $1 million on hand ensure a good season for 1936. But the probabilities do not seem to favor as much supplementary work as last year. D. S. Pratt, president, informed the recent annual meeting that dividends will probably be half-yearly, so that a payment may be made in midsummer.

* * *

Southern Canada Power Co.—operating revenue for the six months to March 31, 1936, shows a small decline from that reported a year ago. Net income for the half year was $647,394, as against $657,722 for the six months ended March 31, 1935.

* * *

Ford of Canada—Analysis of sales figures for early 1936 months shows a reason for the recent softness of the class A shares. However, volume in Canada did not result in operating profits last year, revenue coming mostly from subsidiaries' dividends. Confused investors continue to rest their hopes on earnings from abroad.

Building Products — Volume of rigid insulating board business being handled by Building Products this year would appear to be on a larger scale than a year ago, judged by a report issued by the Dominion Bureau of Statistics on sales by the industry. Three companies, of which one is Building Products, report sales in March of 2.5 million square feet, as against 1.9 million a year ago. For the first quarter of 1936 sales amounted to 6.9 million square feet, compared with 4.4 million in the same period in 1935.

* * *

Price Bros. — In fear that the Pacona purchase of sinking fund bonds means delay of reorganization liquidation has pressed the two classes of shares below 30 and 4 respectively.

* * *

Telephone Securities. — A new holding company will make its appearance shortly in the Canadian investment field, with a public offering of $1.5 millions of Telephone Securities Co. debentures. This company is connected with the Associated Telephone and Telegraphs, having control of Telephone Investment Corp., Phillipine Long Distance Telephone Co., and other properties.

* * *

Dairies—Possibility of difficulty in maintaining stability of milk prices in central Ontario centres is in the minds of dairy operators.

* * *

Canada Steamship—Proclamation of the Shipping Act, effective Aug. 1, means that U. S. vessels cannot carry cargoes directly or indirectly between purely Canadian ports. Nor can this be evaded by transshipment at Buffalo. So C.S.L. gets the same protection here that U. S. lines have between American ports.

Significant Investors' Index Numbers

1926 = 100

	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's
No. of Securities	15	6	5	5	11	18	9	89	23	112
1929-35:*										
High	388.9	113.4	273.4	423.5	113.5	197.8	205.4	317.6	166.0	232.6
Low	39.8	2.8	37.7	83.6	28.0	72.1	28.5	49.3	33.1	40.9
Monthly Figures, 1936:										
January	130.3	18.6	80.0	231.0	75.5	153.6	151.7	187.7	52.4	117.8
February	140.5	20.2	84.3	246.5	74.0	158.7	151.7	200.0	57.0	126.1
March	136.5	18.5	88.7	237.3	73.1	153.2	140.3	194.8	55.4	122.7
Weekly Figures, 1936:										
April 2	134.6	18.6	91.2	242.5	71.0	150.1	139.4	198.0	54.3	123.1
Apr. 9	137.7	18.6	93.2	254.5	71.8	151.5	134.2	202.6	54.7	125.5
Apr. 16	134.7	18.1	91.8	247.0	71.7	152.7	130.3	198.7	54.0	123.3

*High and low of years from 1929 to 1935 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc Mines
April 21	132.06	129.45	133.89
April 20	132.35	129.20	134.91
April 18	133.65	130.66	136.97
April 17	134.09	130.71	137.91
April 16	134.85	131.20	137.71
April 15	135.44	131.61	137.14
Month ago	135.65	123.14	132.94
Year ago	104.76	113.09	99.09
High, 1936	143.48	135.81	144.23
Low, 1936	127.74	115.97	125.29

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
April 21	69.8	74.0	72.6
April 20	70.0	73.8	72.5
April 18	70.1	74.9	73.3
April 17	70.1	75.2	73.5
April 16	70.4	75.7	74.0
April 15	70.0	75.7	73.8
Month ago	70.7	75.5	73.9
Year ago	58.2	59.1	56.8
High, 1936	72.4	78.4	76.6
Low, 1936	68.0	70.3	69.6

Heads City Dairy

W. L. KNOWLES

Who has been appointed president of the City Dairy Co., Limited, Toronto, succeeding Col. C. M. Ruttan, who becomes chairman of the board. Mr. Knowles was formerly managing director of the Walkerside Dairy, Windsor, Ont., a company associated with City Dairy, and will continue as a director of the Windsor firm.

City Dairy's new president is an old Toronto boy. Like many other Torontonians now prominent in the business world, he received his early education at the Jesse Ketchum School. After graduating from the Technical High School he went to the Western Canada Flour Mills in 1909. Enlisting in 1915, he served in France with the 3rd Toronto Regiment. On his return in 1919 he rejoined the Western Canada Flour Mills, but in 1921 went to Walkerville to manage the dairy with which he has been connected up to the present.

Mr. Knowles from 1909 to 1915 played both baseball and rugby for leading Toronto teams.

N.Y. Paper Firm Sues J. E. Gefaell

Commissions on Great Lakes Paper Deal in Dispute

Parsons & Whittemore, New York marketing firm for pulp and paper, has brought suit at Osgoode Hall, Toronto, against John E. Gefaell, promoter of the Great Lakes Paper Co. deal for large newsprint orders of U. S. publishers.

The plaintiff, employed Gefaell as a sales agent. The claim of the plaintiff is that it is entitled to some share of commissions on sales of newsprint from the Great Lakes mill negotiated by John Gefaell.

Company Interested

Upper Lakes Pulp & Paper Co., successor to Great Lakes Paper Co. under the reorganization, is interested in the proceedings. Any settlement of the suit will determine to whom the Upper Lakes firm is to pay commissions. The plaintiff is endeavoring to enjoin National Trust Co. as receiver for Great Lakes Paper Co. as a defendant in the action.

The origin of the suit goes back to 1931, when National Trust Co. hired Parsons & Whittemore to sell newsprint for the Great Lakes Paper Co. The trust company had been appointed receiver for Great Lakes Paper Co., and required a sales agent, Parsons & Whittemore were hired for this purpose. John Gefaell was connected with Parsons & Whittemore at that time.

Advertising Space Greater in March

From Our Own Correspondent

MONTREAL.—Newspaper advertising showed strength in all departments during March, maintaining its February margin over 1935 practically unchanged, according to a survey of advertising in daily newspapers of 52 important American cities, prepared by Media Records Inc. and published by Editor and Publisher.

The record is considered the more remarkable in view of the floods which hampered important regions that month, causing the elimination of advertising by some newspapers and causing some advertisers hastily to cancel their orders.

Major Groups Advance

General advertising, despite the wave of cancellations in flooded districts, remained something over 13 per cent ahead of 1935.

Financial advertising, the smallest classification in actual linage, was well ahead of last year.

Department store and other retail linage barely stayed ahead of 1935 figures, despite this year's advance of more than a week on the Easter sales season.

Automotive advertising almost came up to the automotive linage in March, 1935, after a two months' period in which it fell far behind the corresponding month a year ago.

Electrolux Net Profits Higher in First Quarter

From Our Own Correspondent

MONTREAL. — Electrolux Corp. reports net profits for the three months ended March 31, 1936, of $722,472 after deducting Federal income taxes and other charges. This compares with $627,450 for the corresponding period of the previous fiscal year, an increase of $95,021.

New Issue

Canadian Canners Limited
Convertible 4% First Mortgage Bonds
Due May 1st, 1951

Convertible into common shares of the Company in the ratio of 5 shares for each $100 principal amount until November 1st, 1943, and thereafter into 4 shares for each $100 principal amount.

Denominations: $1,000 and $500.

Price: 97.75 and interest, yielding over 4.20%

Canadian Canners Limited operates the largest organization of its type in the British Empire and its trade name "Aylmer" is widely known as the mark of quality products.

For year ended February 29th, 1936, net earnings, after depreciation, were $564,837, sufficient to cover 4.37 times maximum annual interest requirements of $129,200 on this issue which will constitute the Company's only funded debt.

Descriptive circular gladly furnished upon request.

Wood, Gundy & Company
Limited
36 King Street West
Toronto
TELEPHONE: ELGIN 4321
Toronto, Montreal, Winnipeg, London, Eng.
Ottawa, Hamilton, Vancouver, London, Ont.

Unsecured Creditors Favor Crosse & Blackwell Plan

Unsecured creditors of Crosse & Blackwell (Canada) Ltd., expressed approval of a recommendation at a meeting April 15 that they accept 33 1/3 per cent in full settlement of their claims payable by income notes over five years out of profits of the sugar refinery now being operated for the company by B. D. Beamish, agent.

A final meeting to consider the plan will be called by G. T. Clarkson, the trustee under the Dominion Companies Arrangement Act, and all creditors before that time will be expected to file particulars of claims for approval by him.

The company under the present proposal would agree to pay over to a trust company yearly its entire net income for rateable distribution among holders of the income notes. Decision of auditors as to what net income amounts to will be final and binding on everyone.

The net profit would be after all expenses, including interest on moneys advanced by J. Allan Ross and after the usual accounting provisions for depreciation, taxes, and other charges.

An investigation was made of profits of the Beamish plant from May 28, 1935, to February 10, 1936, to see if profits were likely to be enough to take care of the income notes. The investigation led the auditors to believe that the $150,000 necessary to pay the income notes without interest could be secured over the next five years if conditions do not change materially. The creditors committee felt that this was the only chance of getting anything.

The Colborne business men, who considered seriously buying rights to canning end of Crosse & Blackwell in Canada, have finally withdrawn.

Nations Oil Lowers Flag

McColl-Frontenac Parent Company Being Wound Up

From Our Own Correspondent

MONTREAL.—Assets of the Nation's Oil Refineries Ltd., predecessor company of the Frontenac Oil Refineries which was merged with McColl Bros. to form McColl-Frontenac Oil Co., will be distributed by the liquidator after April 30.

As all the debts and liabilities of the company will be satisfied in full, the remaining assets will be distributed among the holders of the 8 per cent cumulative preferred capital stock, on the basis of 30 cents in cash and in kind on a pro rata basis of one share of McColl-Frontenac Oil common for each six shares of Nation's Oil 8 per cent preferred stock. All fractions will be paid in cash.

There will be no assets available for distribution among the shareholders of Class B preferred and common stock.

Held Stock and Rights

Nation's Oil was incorporated a number of years ago to build and operate a refinery in Montreal East employing a new gasoline extraction process. In 1926 a reorganization was carried out and control of the property passed to the Frontenac Oil Refineries. Through various stock exchanges, Nation's Oil eventually came into control of 10,510 shares of McColl-Frontenac common. Furthermore, it received a royalty on all the Cyclo gasoline manufactured west of Kingston and Ottawa; in other words, a royalty on the Cyclo manufactured by the Toronto refinery. The royalty received by the company on this production was small and insufficient to warrant the company paying any dividend.

Previous Attempt Made

As far back as the beginning of 1930 attempts were made to wind up the Nation's Oil Co. through voluntary liquidation. The proposal made at that time is similar to the one which is now being carried out under the Winding Up Act.

McColl-Frontenac Oil Co. stands to benefit by the winding up of this company, as it simplifies its capital structure and does away with the royalty on Cyclo gasoline produced west of Kingston and Ottawa.

Arbuckle Joins Board Howard Smith Paper Mills

From Our Own Correspondent

MONTREAL. — At the annual meeting of shareholders of Howard Smith Paper Mills, directors were re-elected with the addition to the board of W. A. Arbuckle, Montreal. Mr. Arbuckle is the Canadian representative of important English investment interests.

Acme Glove Works Stock Listed in Montreal

From Our Own Correspondent

MONTREAL. — Montreal Stock Exchange has called for trading the new preferred and common shares of Acme Glove Works. The listing cover 6,879 of the preferred shares, par value $100 each, of a total authorized issue of 10,000 shares and 24,000 common shares without par value of a total authorized issue of 55,000 shares.

CANADIAN FUND

Prospectus and annual report of Canadian Investment Fund, Ltd., obtainable from your own investment dealer.

CALVIN BULLOCK, LTD.

New Highs

During 1935, the total amount of Investors Syndicate investments in Canadian mortgages, bonds, and other securities increased from $2,622,297.43 to $3,436,469.38 — or 31%.

And the total is constantly increasing!

We shall be delighted to send you information which explains the full meaning of LIVING PROTECTION.

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Offices in Winnipeg, Calgary, Edmonton, Regina, Vancouver. Offices of Investors Syndicate, Ltd., in Montreal, Toronto, Hamilton. Affiliated with Investors Syndicate, Ltd., Montreal, and Investors Syndicate Title & Guaranty Company, New York.
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"LIVING PROTECTION"

A Sound Preferred Stock
...Non-Callable and Participating

UNLIMITED PARTICIPATING FEATURE
After dividends of $1.50 per share have been paid on the Preferred and Common Shares, both classes participate equally in any further dividends paid in any one year.

The 1935 annual report of International Bronze Powders Limited, now available upon request, shows net earnings equivalent to $4.16 per share on the Preferred Stock, which is the senior security, against dividend requirements of $1.50 per share.

The demand for the Company's products is world-wide.

INTERNATIONAL BRONZE POWDERS
LIMITED
6% Cumulative Participating Preferred Stock
(Non-Callable)
Price: $29.00 per share to yield 5.17%

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Bond Markets

Few Investors Selling Western Bond Holdings

High Grade Bond Market Remains Unaffected By Alberta Default — Further Weakness Evident in Western Provincials

While the market for western provincials has weakened further, there is no indication of a tendency on the part of investors to jettison their holdings. To date, there has been very little liquidation.

Several Western Canadian municipalities may attempt to undertake forced conversion. Vancouver, which was a disturbing factor last year, plans to resume its agitation for reduction in interest rates.

Saskatchewan has passed legislation permitting the Local Government Board to arrange refunding for any municipality when default is unavoidable. It is possible Moose Jaw may have to take advantage of this legislation. Saskatoon and Regina may be able to weather the storm because of their substantial sinking funds.

Famous Players will undertake refinancing of its bonds in the near future. The refunding issue will be $7.1 millions of 4½ per cent bonds.

McColl-Frontenac plans to redeem its bonds, funds to be provided through sale of an issue of common stock.

Hamilton By-Products Coke Ovens will make a further offering of $1 million of general mortgage bonds in a few weeks to refund its present 6½ per cent issue.

Saguenay Power's $30 millions issue has had an excellent reception. The $5 millions of bonds offered in Canada was over-subscribed almost immediately.

Canadian Canners $3.5 millions issue also obtained a ready market. The three per cent short term serial bonds were sold to institutions prior to the public offering.

High Grade Bonds

THE Alberta default has had little effect on the vitality of the high grade bond market.

Despite the low yield obtainable on many of the recent refunding issues, a ready market has been found for the bonds. This is illustrated by the rapidity with which the Saguenay Power and Canadian Canners issues have been taken up.

The main reason for this is that the supply of high grade bonds is not even close to being sufficient for the demand, and there does not appear to be any immediate prospect of the supply being bolstered. Since 1929 there has been an almost steady decline in the supply of high grade bonds.

Institutions, such as insurance companies, are of course the biggest purchasers. While favoring short term securities because of the prevailing low level of interest rates, they are forced to go into the long term market in order to keep their funds at work.

This situation is likely to continue for some time. Corporations and governments undertaking financing at this time will borrow on as long term as possible in order to take advantage of cheap money rates.

* * *

Market Reactions

THE market for high grade government bonds continues unaffected by the Alberta default. While fractional declines have been recorded in a few Dominion and eastern provincial issues, prices for the most part have been steady.

Municipals have been firm. However, prices for Montreal, Calgary, Edmonton and Vancouver bonds have eased off because of prospects of conversion. High grade municipal bonds have not been affected by this trend.

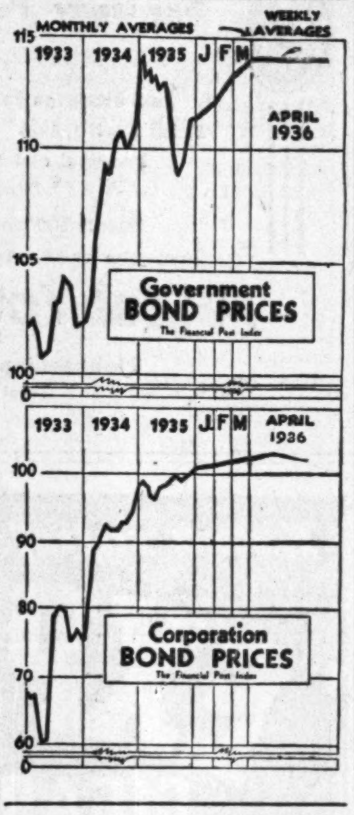
Slight weakness has been evident in the bonds of Windsor, Walkerville, East Windsor and Sandwich. This reflects uncertainty as to the outcome of the deadlock existing at present between bondholders and Windsor Finance Commission.

Prices of British Columbia bonds reflects market uncertainty as to whether that province will be able to meet its maturing obligation on May 15. It is understood that Premier Pattullo is being offered the same terms by the Federal government as was Alberta.

The trend of the high grade bond market is indicated below:

The Financial Post Average Yield and Price For High Grade Government Bonds

1936	Yield %	Price $	1935	Yield %	Price $
Apr. 21	3.311	114.41	Apr. 23	3.510	113.27
Apr. 20	3.311	114.41	Apr. 18	3.510	113.27
Apr. 18	3.311	114.41	Apr. 17	3.514	113.22
Apr. 17	3.311	114.41	Apr. 16	3.512	113.22
Apr. 16	3.307	114.45	Apr. 15	3.527	113.07
Apr. 15	3.324	114.23	Apr. 13	3.470	113.50
Year's	3.303	114.55	Year's	3.367	114.97
Range	3.597	111.50	Range	4.097	106.57



Conservatory of Music To Refund Debentures

Toronto Conservatory of Music plans to refund its 5 per cent debentures at a lower coupon rate in the near future. Issued in 1927, the bonds are callable at 102. Of an original issue of $250,000 sold to the public, there is $205,000 at present outstanding.

Authority for a refunding issue of not more than $255,000 for a term of not more than 30 years, was granted by the Ontario legislature at its last session. Negotiations for the sale of the refunding issue are proceeding. As soon as the sale has been completed, notice of redemption of the 5 per cent debentures will be given.

As in the case of the present debentures, the new issue will carry the guarantee of the University of Toronto.

Truro, N.S., increased its bank overdraft by $5,134 in 1935 to $30,127. Current tax collections amounted to 86 per cent of the levy and total collections to 98 per cent. Debenture debt is $1,042,460 against which a sinking fund of $522,137 has been provided.

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads payable in advance.

Have You An Opening?

AMBITIOUS YOUNG MAN, bilingual, single, 23, seven years banking experience. Good knowledge of bookkeeping and accounting. Willing worker, quick to learn. At present employed but desires permanent position with reputable concern, commercial, industrial or financial. Excellent references as to character and abilities. Would locate anywhere. Box 220, The Financial Post, Toronto, Ont.

Cities to Attempt Forced Conversion

Little doubt is held that Calgary and Edmonton will attempt to make use of legislation permitting them to refund all their bonds without consent of creditors.

An amusing sidelight on the refunding authority is that both cities objected to the preliminary scheme for refunding debts of the defaulting City of Windsor earlier this year.

Edmonton last year received consent of the Alberta legislature to refund its bonds. Calgary got similar authority this year through an amendment to its charter. In both cases permission of the Local Government Board is necessary. Coercive refunding would be viewed by creditors as repudiation.

B. C. Requires Consent

In British Columbia, the government adheres to the principle that consent of creditors should be obtained to municipal refunding. Hon. A. Wells Gray, Minister of Municipal Affairs, stated this week that if Victoria and Vancouver could obtain consent of 51 per cent of their bondholders the government would consent to refunding of their bonds.

In investment circles, the B. C. policy is viewed as repudiatory, since neither city has had to default. There does not appear to be much likelihood of creditors approving refunding of municipal debt except where default has shown incapacity to pay. If consent to such refunding were given, bondholders state, every city in Canada would have precedent for repudiatory action.

Montreal has made application to the Quebec legislature for authority to undertake conversion of its funded debt. It is not expected that the Quebec government will take a favorable view of the application. Meanwhile, Montreal bonds have weakened considerably, especially in the London market.

Dividends Declared

	This payment	Date payable	Date of record
Agnew Surpass, pf.	$1.75	July 2	June 15
Anglo Can. Tel., p.	87½c	May 1	Apr. 15
Bk. of Toronto	$2.50	June 1	May 15
Beatty Bros., 1st pf.	$1.50	May 1	Apr. 15
Calgary Power, pf.	$1.50	May 1	Apr. 15
Can. Bronze	25c	May 1	Apr. 20
Do., pref.	$1.75	May 1	Apr. 20
Can. Indust. A & B	$1	Apr. 30	Mar. 31
Cosmos Imp.	20c	May 15	....
Celanese of Am. pr. pf.	$1.75	July 1	June 6
Do., part. pf. ...	$3.50	June 30	June 16
Cosmos Imp. p. new	$1.25	July 15	....
Can. Iron, pf.	$1.50	Apr. 30	Apr. 15
Can. Bk. of Comm.	$2	June 1	Apr. 30
Can. Converters ..	50c	May 15	Apr. 30
Can. Inv. Fund ...	3½c	May 1	Apr. 15
Can. Investors	10c	May 1	Apr. 17
Crown Cork	20c	May 15	May 1
Frost Steel, 1st pf.	$1.75	May 1	Apr. 21
Guelph Carpet, pf.	$1.62½	May 1	Apr. 17
Gurd, pref.	$1.75	May 15	May 1
Hecla Mining	15c	May 25	Apr. 25
Humberstone Shoe	50c	May 1	Apr. 15
Imperial Bank ...	$2.50	May 1	Mar. 31
Int. Nickel, pf. ...	$1.75	May 1	Apr. 1
Internat. util., pf.	$1.50	May 1	Apr. 20
Do., $3.50 pfd. ...	75c	May 1	Apr. 20
Kirk. Lake G. ...	3c	Apr. 30	Apr. 9
Mtl. L. H & Pr. ..	37c	Apr. 30	Mar. 31
McIntyre Porc. ...	50c	June 1	May 1
Neon P. of W. Can. pf.	$1.50	May 1	Apr. 15
Nor. Can. Mining .	2c	May 1	Apr. 11
Penmans	75c	May 15	May 5
Do., pref.	$1.50	May 1	Apr. 21
Quebec Power	25c	May 15	Apr. 24
Royal Bank	$2	June 1	Apr. 30
Russel Motor, pf...	$1.75	May 1	Apr. 22
Do., on arrears ..	$1	May 1	Apr. 22
San Antonio Gold	7c	Apr. 30	Apr. 23
Shawinigan W. & P.	15c	May 15	Apr. 24
Simpson, Robt., pf.	$3	May 1	Apr. 15
Simpsons, pref. ...	$1	May 1	Apr. 22
South. Can. Pwr., c.	20c	May 15	Apr. 20
St. Law. Flour	50c	May 1	Apr. 20
Do., pref.	$1.75	May 1	Apr. 20
Steel of Can.	43¾c	May 1	Apr. 7
Do., pref.	43¾c	May 1	Apr. 7
Toburn Gold	2c	May 21	Apr. 21
Westminster Paper	20c	May 1	....
Weston, Geo., pf. ..	$1.25	May 1	Apr. 20
Zellers, pfd.	$1.50	May 15	Apr. 30

Vancouver Hopes To Cut Interest

From Our Own Correspondent

VANCOUVER. — Mayor G. G. McGeer, whose fight for reduction in the city's bond interest rates put Vancouver's financial plight in headlines last spring, will continue the agitation this year.

The city's next major interest payment falls due August 1, and before then the mayor hopes to reach some compromise with the bondholders. Meanwhile the city's tax rate is being held down to last year's figure—37.886 mills.

A cut to 3 per cent in the interest rates—his objective—would save Vancouver $850,000 annually, according to McGeer.

Hon. A. Wells, minister of municipal affairs, has announced that if Vancouver can obtain consent of 51 per cent of its bondholders to a refunding or interest-reduction scheme, the British Columbia government will ask the legislature to ratify the scheme.

Can. Canners Markets Issue

3% Serial Bonds Sold; 4% Bonds Convertible Into Common

Issue of $3.5 millions of first mortgage three and four per cent bonds of Canadian Canners has been well received. The three per cent serial bonds were sold prior to public offering of the convertible four per cent bonds. The latter were fully subscribed by dealers and institutions and offered to the public at 97.75, yielding over 4.2 per cent.

The annual maturity of $180,000 of three per cent bonds for six years takes the place of a sinking fund for that period. In 1943, a sinking fund of $150,000 annually is provided on the four per cent bonds. The company is devoting the saving of interest on its refinancing to redemption of bonds.

Raise $3.3 Millions

Some $3.3 millions net will be raised by sale of the bonds, and proceeds will be used to pay for retirement of $3.1 millions of outstanding six per cent bonds, and premium thereon.

The company owns 69 canning factories from coast to coast in Canada. Details of the new bonds follow:

Canadian Canners Limited

Issue—$3,500,000 1st mortgage bonds; $1,080,000 at 3% maturing $180,000 annually, May 1, 1937 to 1942; $2,420,000 at 4%, convertible, maturing May 1, 1951.

Purpose—To refinance $3.1 millions of 6% bonds recently called for redemption.

Dates, Interest—Dated May 1, 1936, interest payable May 1 and Nov. 1 in Canadian funds.

Company—Dominion incorporation 1923; owns various subsidiaries; predecessor organized 1903.

Business—Manufactures canned fruits, vegetables, meats, soups, etc. under "Aylmer" trade name.

Capital—	Authorized $	To be outstanding $
1st mtge. bonds ..	5,000,000	3,500,000
6% 1st pfd. stock	5,000,000	3,884,850
2nd pfd. shares ..	400,000 shs.	363,732 shs.
Common shares ..	400,000	137,784 shs.

Assets—At Feb. 29, 1936, net fixed and current assets $10,899,794, or $3,114 for each $1,000 of bonds.

Security—First mortgage on all fixed assets and on all shares of subsidiaries, and first floating charge on the undertaking.

Earnings—For past 10 fiscal periods, annual average profits, after depreciation but before income taxes, $588,305, or 4.55 times interest requirements. For latest earnings see page 16.

Conversion feature—4% bonds maturing 1951, convertible into common stock up to Nov. 1, 1943, $100 of bonds for 5 shares; thereafter $100 for 4 shares.

Offering—3% serial bonds at 99; convertible 4% bonds at 97.75 to yield over 4.20%; in April, 1936, by syndicate of Wood, Gundy & Co.; Dominion Securities Corp.; Royal Securities Corp.; McLeod, Young, Weir & Co.; R. A. Daly & Co.; Cochran, Murray & Co.

Niagara Loan Assn. To Change Set-Up

Meeting Called to Consider Reorganization Proposal

A special general meeting of Niagara Falls Building, Savings and Loan Association has been called for May 9 to consider reorganization and the formation of a new company to take over the assets of the association.

In a letter to shareholders, U. H. Bowen, president, states the reorganization is essential, not only as a matter of good business for the association, but because the Ontario registrar of loan corporations has required it. The association is not to be permitted to continue to carry on its business with withdrawable or terminable shares.

Under the proposed plan the paid-up and installment shareholders will become owners of all of the new company's debentures and all of its capital stock, receiving one $40 debenture, plus $80 of stock for each share of the association held. The debentures will be of various maturities of from one to six years and will bear interest at four per cent per annum, payable half-yearly.

Mortgage Shareholders

Mortgage shareholders are not entitled to be present or to vote at the meeting. The reorganization will enable the company to alter the terms of existing mortgage contracts, so that, by periodic weekly payments, each mortgagor will be able to pay off his mortgage regardless of the company's earnings, at a definite date.

A pro forma balance sheet as at Dec. 31, 1935, shows that the paid-up capital of the new company will be $776,160. Debentures outstanding will total $388,062. Reserve for depreciation is shown at $177,050.

Total assets are shown at $1,354,661. Real estate held for sale is valued at $563,165, first mortgages at $665,103, time deposits at $102,000 and agreements for sale at $15,526.

Winnipeg, for the sixth consecutive year, has struck its tax rate at 34½ mills. This, however, was only accomplished by not providing for full sinking fund on the unfunded debt incurred for unemployment relief. Only two per cent has been provided on the $1.1 million of bonds recently issued, and nothing at all on the $2.4 millions borrowed from the Dominion government.

St. Boniface Hopes to Pay Some Interest

Partial Provision Made — Current Position Improves

SETS UP FUND

It is possible bondholders of St. Boniface, Man. will receive something on account of interest in 1936.

Of a total budget of $1,029,667 for the year, $212,549 has been provided for interest on the city's debentures. This amount is short $53,000 of requirements for one year's interest. However, W. C. McKinnell, supervisor, informs The Financial Post that if the percentage of collections is the same as in 1934 a larger amount will be collected than that estimated.

Since going into default in 1932, St. Boniface has made substantial progress as a result of careful administration. At the present time operations are being conducted on a pay-as-you-go policy.

As at July 1, 1933, the city had a bank overdraft of $362,000, had approximately $125,000 of outstanding accounts and was two months in arrears in payment of civic salaries. The two school districts had bank overdrafts of $100,000, outstanding accounts of $40,000 and owed their employees two months salary.

As at Dec. 31, 1935, the bank overdrafts had been reduced to $16,000 and with cash in the bank of $57,000 all accounts had been paid to within 30 days. No interest has been paid on the funded debt of either the city or the school districts since default in October, 1932.

Meanwhile the city has adjusted its tax burden on a more equitable basis. The tax rate, however, remains high although a slight reduction has been made for 1936. The 1936 tax rate for general municipal purposes is 38.5 mills, for school purposes 22 mills and for the Greater Winnipeg Water District 15 mills. The latter rate is applied to land values only. This represents a reduction of 2 mills for general purposes and one mill for the St. Boniface school district.

To date no plan for refinancing of the city's debt has been presented.

At the present time purchase of St. Boniface bonds is being made for sinking fund purposes. The Financial Post is informed that sinking fund trustees have appointed J. Snowden & Co., Winnipeg, as their agents to purchase bonds to May 15. The bonds are currently quoted at 33 bid, 35 asked.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Paton Mtg.	6%	1953	May 1	103
Wabasso Cotton.	6%	1947	May 1	110
St. Maur. Vall. Cot.	6%	1952	May 1	105
Shaw. Cotton ...	6%	1949	May 1	105
Wabasso Cotton.	7%	1942	May 1	110
Ontario Steel ...	6%	1943	July 1	110
St. Mary's Cement	‡6%	1942	May 1	103
Robt. Simpson ..	5%	1952	July 1	105
Imperial Realty.	6%	1945	July 1	102
Catholic Epis. Corp. Timiskaming† ..	5½	1932-56	July 2	101
B. A. Oil	5%	1945	May 29	103
Dom. Canners ..	6%	1940	Oct. 1	110
Can. Realty	6%	Serial	June 1	105
Dom. Coal	▲5%	1940	May 1	...

Stock Issues:	Rate	Stock	Date	Price
Geo. Weston ...	7%	Pref.	May 1	110
Can. Bronze	7%	Pref.	May 1	110

† $65,000.
‡ $31,500; ▲$335,500 for sinking fund purposes.

Religious Issues

Feb. Sainte-Thérèse d'Amos, 6%, May 1.*
Synd. Paroisse Sainte-Thérèse Amos, 6%, May 1.*
Notre-D. Hospital, Montréal, 5¼%, 1937-50, May 1.*
Soeurs Dominic. du Rosaire, $53,000, 5%, May 1.†
Synd. et Fab. Eusèbe de Verceil, Montréal, émission de $340,000, 5¼%, May 1.▲
Soeurs du Bon Pasteur, Halifax ($70,000), 5½%, May 1.*
Fab. N.-Dame du Chemin ($250,000), 1930, 5%, May 1.*
Do., ($100,000), 1931, 5%, May 1.*
Soeurs des Saints Noms de Jésus et Marie ($250,000), 1940 à 1946, 4½%, May 15.†
Synd. Paroisse Saint-Pierre du Lac, Val-Brillant, 5%, June 1.■
Religieux Ste. Croix, $485,000, 5½%, June 1.†
Diocese of Alexandria, émission $37,000, échéance 1936 à 1951, 5½%, June 1.*
Dominic. ou Frères Prêcheurs, Montréal, émission $85,000, 1934, 5%, June 1.†
Sisters of Charity, Qué., 5%, July 1.*
Fab. Sainte-Thérèse de Blainville, émission juillet 1925, 5%, July 1.*
Pères Eudistes, de la Province de Qué., émission $130,000, 5%, July 1.†
Sisters of Charity of Saint-Louis, Bienville 5½%, July 1.†
Fab. Saint-Jean Damascène, Montréal, émission 1930, $85,000, 5½%, July 1.▲
Diocese of Timiskaming, émission $65,000, 5½%, 1932-56, July 1.†
Notre D. Hospital, Montréal, 5¼%, Oct. 1.▲
Le College de Notre D. Cote des Neiges, 5½%, 1936-52, June 1.†

Bond Tenders

5 p.m., May 4, Sch. Mun. of Low South, County of Gatineau—$12,000, 5 per cent, dated June 1, 1936, redeemable serially to 1956. J. C. Noonan, sec.-treas.

A. J. PATTISON Jr. & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank — EL. 5101
TORONTO

NOTICES

City of Yorkton

The City of Yorkton, Saskatchewan, invites enquiries or offers for the purchase of the following debentures:

Bylaws 9 and 14—1933; $21,400—5½%. Present value $19,636.63. Maturing in 1952, annuity plan payable annually.

Bylaws 10 and 13—1933; $63,000—5½%. Present value $59,577.37. Maturing in 1957, annuity plan payable annually.

All above debentures are dated November 30th, 1932, and will be issued in denominations to suit purchaser.

Three instalments have been redeemed and purchaser will pay accrued interest to date of delivery of debentures.

Bids will be considered up to May 2nd.

Full particulars or any information may be obtained on application to the undersigned.

Yorkton's financial position is sound and all debenture payments have been promptly met and present debt is comparatively low.

Dated at Yorkton, Saskatchewan, this 9th day of April, 1936.

H. M. JACKSON,
City Treasurer.

Municipal Finances

Cap-de-la-Madeleine, Que., is paying debenture interest due April 1, 1936.

* * *

Cranbrook, B.C., for the third successive year has struck its tax rate at 42 mills. The levy is divided as follows: schools, 17 mills; debenture service, 16 mills; general, 9 mills. Expenditures are estimated at $161,413.

* * *

Dartmouth, N. S., has been authorized to raise $200,000 by the issue of debentures, proceeds of which are to be used by the Dartmouth Ferry Commission for the construction of docks.

* * *

Digby, N. S., has struck its 1936 tax rate at 42 mills.

* * *

Galt, Ont., has set its tax rate for 1936 at 42 mills, the same that has prevailed for the past two years.

* * *

Glace Bay, N. S. reports tax collections for the first three months of 1936 to be slightly below the same period of 1935. Total collections for the period amount to $59,287, compared with $60,685 in the first quarter of 1935. The town has been authorized to issue $172,000 of debentures, proceeds to be used to retire at maturity debentures falling due in July, 1936.

* * *

Jonquiere, Que., is paying interest coupons dated March 1 and April 1, 1936.

* * *

Kitchener, Ont., tax receipts for the first three months of 1936 were $96,584 higher than for the corresponding period of 1935, totalling $312,568. Improvement in collections of current tax arrears and of tax arrears both contributed to the increase.

* * *

London, Ont., is faced with a critical situation, according to Ald. L. S. Holmes, chairman of the finance committee. Fixed costs of $2.2 millions will account for 28½ mills in the 1936 tax rate. Debenture debt amounts to $11.6 millions, on which the service charge in 1936 will be $1.3 millions.

* * *

London, Ont., has struck its 1936 tax at 39.5 mills. Expenditures are estimated at $3,155,136.

Ottawa private bill authorizing capital expenditures of $761,000 met with considerable opposition. Hon. D. A. Croll, minister of municipal affairs, opposed the bill in committee and a resolution was passed by the Ottawa Board of Trade disapproving of the legislation. Approval, however, was finally given contingent upon submission of the by-law to ratepayers.

* * *

Ottawa has been ordered by the Ontario Municipal Board to pay two-fifths of the costs of direct relief and all costs of relief administration out of current revenue in 1936. In striking its estimates the city included only one-fifth of the estimated cost of relief and total administration costs in current expenditures.

* * *

Pictou, N.S., has been authorized to borrow $30,000, of which $20,000 is to be used for paving streets and $10,000 to refund outstanding debentures.

* * *

Preston, Ont., has set its 1936 tax rate at 47 mills. Expenditures are estimated at $136,328.

* * *

Pictou County, N.S., has been authorized to issue $250,000 of debentures for the purpose of constructing a steam generating power and energy electric plant.

* * *

Perth County, Ont., may find it necessary to increase its tax rate in 1936 in order to wipe out a bank overdraft. Bank loans at the present time amount to about $55,000.

* * *

Penticton District, B.C., had a surplus of $2,754 in 1935. Cash on hand at the end of the year totalled $38,883. Net debenture debt as at Dec. 31, 1935, was $557,454. Sinking fund at $530,746 is $73,502 in excess of requirements.

* * *

Prince Rupert, B.C., had a surplus of $345 on general account in 1935. Refunding of the city's debenture debt of $1,735,594 on a four per cent basis has been carried, all old bonds with the exception of $76,900 having been exchanged at Dec. 31 last. Collections of current taxes in 1935 amounted to 63½ per cent of the levy. Except for a loan of $18,000 from the provincial government for relief, the city carried on in 1935 on a cash basis and at the end of the year had no bank loan.

Parish of St. Benoît-Joseph-Labre, Amqui, Matapedia County, Que., is paying interest on its notes for the six months ended April 30, 1936.

* * *

Riviere-du-Moulin, Que., is paying interest to Sept. 1, 1935, on bonds matured Sept. 1, 1934; to May 1, 1935, on bonds matured May 1, 1934; to June 1, 1935, on bonds matured June 1, 1934.

* * *

St. Joseph d'Alma, Que., is paying interest coupons of Dec. 1, 1935, and Jan. 1, 1936.

* * *

Sydney, N.S., tax rate in 1936 will be the same as in 1935, namely 42 mills. Estimated revenue for 1936 is $823,407. In 1935, revenue was estimated at $781,861 while actual receipts were $823,408. Assessment for 1936 stands at $11,844,190, an increase of $42,000 over the previous year.

* * *

Stratford, Ont., reports a deficit of $24,043 in 1935, compared with $29,282 in 1934. During the year bank borrowings increased by $75,000 to $470,000. Accumulated deficits over the last three years total $63,000, and application has been made to the Ontario Municipal Board for authority to fund these. Net debenture debt was reduced in 1935 by $186,748 to $1,596,280.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Moncton, Sch. Trustees of	Apr...	Irving, Brennan & Co., Johnston & Ward, W. C. Pitfield & Co.	3½%	1956	$64,000	*98½	....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Canadian Canners	Apr...	Wood, Gundy & Co., and Syndicate	3% 4%	1937-42 1951	$1,080,000 2,420,000	99 97.75	.... 4.20%
Seminaire de Valleyfield	Apr...	Bruno Jeanette	4%	1936-57	180,000	100	4%
Saguenay Power	Apr...	Offered in U. S.	4¼%	1966	25,000,000	100	4.25%
Saguenay Power	Apr...	A. E. Ames & Co. and Syndicate	4¼%	1966	5,000,000	100	4.25%
Stock Issues—							
Martin-McNeely Mines	Apr...	J. T. Eastwood & Co.	....	....	400,000 shs.	25c	....
Saguenay Power	Apr...	Dominion Securities Corp. and Syndicate.	5½%	Pref.	50,000 shs.	100	5.50%

* Offering price.

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TORONTO, APRIL 25, 1936

A Remarkably Fine Choice

IT WOULD have been difficult for the government at Ottawa to have made a more excellent selection for the chairmanship of its unemployment commission. Arthur B. Purvis is not only a most successful business man and spokesman for industry in Canada, but he is a man with a very sharply balanced sense of social values. To him business is merely a means to an end, and that end is the creation of wealth and its generous diffusion among all classes of the people.

Mr. Purvis for two years has been delivering public addresses and writing articles presenting his viewpoint on the relationship of business to government, of employers to workers, of finance to the common man. Now he is going to have an opportunity of pointing the way to an even larger application of his ideas than he has been able to achieve in his far-flung Canadian Industries organization. His practical mind will ensure that the greatest sum of useful results will come out of the studies of the commission.

Deleted Wrong Part of Bill

THE Senate appears to have scored on the government and the House of Commons in forcing the deletion of practically all of the preamble to the bill for paying $6,600,000 to wheat pool farmers to adjust wheat payments on the 1930 pool. In two days of Parliamentary fighting the government had refused to make that change in spite of Mr. Bennett's insistence. They made it in two minutes when the Senate demanded the change.

Unfortunately, it was the wrong part of the bill which was altered. The enacting clauses, which improperly give away some $6,600,000 of public funds are the ones that should have been deleted. The Senate could have afforded to let stand the official declaration that "no justification exists" for certain payments which were proposed to be made under the pre-election settlement between the Wheat Board and the Wheat Pools in connection with "stabilization" wheat taken over by the former. They could properly have added the further statement that "no justification exists" for the payment that is actually to have been made.

No one would suggest that the provocative and unnecessary preamble was drafted as a smoke screen, behind which the indefensible enacting clauses might escape. Such deep laid designs hardly form part of Parliamentary practice. But that is exactly the effect the preamble had. It drew all the fire. In the heat of the argument over its wording no single member either of the House of Commons or of the Senate appears to have observed that the payments authorized are just as lacking in justification as the ones that were avoided. Had one quarter of the Parliamentary time that was wasted in talking about the preamble been given to the essential part of the bill, it is hard to believe that it could have passed. Members of both Houses of Parliament missed a remarkable opportunity for public service in this connection.

Public Opinion and Recovery

WE QUOTE the following paragraphs from the Ottawa Journal which is never happier than when, in defence of the politicians, it is flinging a harpoon at business men:

> "Under the arresting heading "Canada—and the Next Five Years," the Toronto Financial Post has been having prominent Canadian business and professional leaders 'outline main national issues and offer solutions.'
>
> "We have been reading these gentlemen now for several weeks, and while they are certainly long on outlining our national issues (all of which have been outlined a million times) they are lamentably short on offering solutions. Short on details.
>
> "Practically all have the same cry, namely: (1) We must balance our budgets; (2) We must cut railway deficits. But when they come to the telling of how we are to balance budgets and to reduce railway deficits, just how the trick is done—well, they just don't tell.
>
> "Actually, these eminent gentlemen, judged by what they are able to tell us regarding what we should do to be saved, are a dead loss. One Mr. Dunning or Mr. Bennett knows more than all of them put together—and is worth more."

It is gratifying to know that the editor of the Journal has been reading the articles. He has not read them carefully. There have been positive suggestions a-plenty, not all of which The Financial Post would agree with but all of which it has been delighted to publish.

Solving our national problems is not a "trick" to be performed. Mr. Aberhart seems to think so. Mr. Pattullo seems to think so. Mr. Stevens had a similar idea once. Dr. Townsend and Major Douglas have presented formulae of fantasy to cure our ills.

The sooner we get over the idea that some simple little device like waving a magic monetary wand or reshuffling the pack for an economic new deal is the answer to the problems of the depression the sooner we'll be out of our major troubles.

Certainly budgets can be balanced but not by continuing political spending. Certainly we can cut railway deficits—by economy and capable administration. Our governmental leaders do not deny that. They do not say it is economically impossible. They merely say it is "politically" impossible. That means, in short, that they read the public mind as being opposed to solutions.

In the ultimate analysis, public opinion will force more courageous actions. What is the Journal doing to inform and influence public opinion in favor of the simple soundness in public policies that is so desirable?

The National Viewpoint on National Problems

WHATEVER we do to blue-print and erect a bridge to our challenging but yet uncharted future, our decisions must be those of representative government. The decisions must reflect the opinions of democracy's masses and therefore it is important that no opportunity be missed for honestly informing and molding public opinion to, first, an interest in and, second, an understanding of our basic problems.

It is because of the significance of public opinion and spiritual forces in the growth of the nation that we must deplore the handicaps to which Canadian periodical literature is subjected. Periodicals are the informing, interpretative part of the literature of a nation. We Canadians are active readers. We devour the magazines of Britain and the United States, particularly of the latter. There is no reason why we should not do so. We are not so short-sighted as to believe that the way to build up our own national literature is to exclude the literature of other countries.

Unfortunately, we have swung to the other extreme. We permit other countries to dump their periodicals in this country, as the spearhead of their commercial and cultural propaganda, and we exempt that foreign literature from tariffs and taxes which we levy upon our own literature.

It is to our national periodicals that we must look for development of an informed national opinion on our major problems. If we had no periodical literature one of our first objectives would be to attempt to create it as an instrument of Canadianization. Far from encouraging it by taxes or tariffs, we use those fiscal measures to discourage it, while advantages are given to foreign periodicals.

If we are to foster understanding of our national problems, we must make certain that the great masses of the Canadian people are given thorough information about and interpretation of those problems as of all the elements in Canadian nationhood.

Ottawa Agreements to the Fore

RECENTLY, attention was drawn in these columns to an attempt on the part of a relatively small group in Canada to eliminate public reports of references heard by the tariff commission.

Not only is such a move to be deprecated as being against the public interest, but in many cases it would be a direct breach of the Ottawa Agreements, since the 1932 compact definitely specifies the presentation to Parliament of all tariff board reports made as a result of any requests by British interests.

It is now generally well-known that Britain has already forwarded to Ottawa a considerable number of representations in respect of these agreements. Most important, of course, are the recent representations urging that Canada restore to Britain reductions in British preferential brought about by the recent Canada-U. S. trade treaty. Britain also feels that many of the most important manufacturing concessions obtained at Ottawa on items such as tinplate, steel piling, etc., are slipping away by the establishment of Canadian manufacturing on these items.

While of course there can be no objection to Canada undertaking such manufactures, the British feel that since these were definite concessions at the time of the agreement, there should be new concessions on the part of Canada to replace these if the basis of the agreement is to be continued.

At present, it seems highly improbable that Canada will make any further concessions to Great Britain prior to a re-opening of the entire agreement late this year or early in 1937. The present government is apparently inclined to feel that by withholding action it will retain trump cards in its hand for this round-table discussion.

However, for Canada to pursue any policy in regard to the tariff board reports which might be construed as direct contravention of the Ottawa Agreements, would definitely weaken this country's position when the time for negotiation arrives.

New Disguise For A.A.A.

WASHINGTON'S A.A.A. is dead, but not the dream of crop control.

Balked by the Supreme Court's ruling which declared processing taxes illegal, Roosevelt's enterprising Secretary of Agriculture, Henry A. Wallace, has hit upon another plan. If the Administration is not going to be allowed to make levies on handlers of farm products and use the money to pay farmers not to grow crops, then the same result is to be sought in another manner.

Indeed the new scheme, now that the professional publicists have dressed it up, wears a much more imposing mantle than the old A.A.A. The latter never attempted to disguise the fact that its one objective was higher prices for farm produce. Mr. Wallace has come out with a plea for food and land for the next generation. Instead of having the farmer grow two blades where only one grew before, the new policy of conservation would revert the process. A large percentage of tillable land would be taken out of cropping altogether, and its fertility built up and held in reserve for the consumers of 1950.

Co-operating farmers who voluntarily turn over a portion of their land for this building-up process are to be rewarded, partly out of the public purse and partly out of some new processing tax if such can be devised without running foul of the Supreme Court.

This looking out for the coming generation is a new rôle. It has the appearance of a noble crusade. As payments go out to the long-sighted rural conservationists, busy storing up soil fertility for their grandchildren, no doubt votes for the present generation of democrat politicians will come rolling in this fall.

There is little compensation for the consumer of today. As a result of the old A.A.A., ably assisted by general droughts in the mid-West, United States housewives are still paying close to war-time levels for meat, dairy and other food products.

The new plan of conservation is an endeavor to continue the old A. A. A. policy, that and nothing else. Soil fertility is not like money in a bank or gold in a mine. It cannot be stored indefinitely and if properly handled, it does not give out. There is land in Belgium, France and Holland that has been farmed continuously for 1,000 years and present years are on an increasing rather than a diminishing scale. In a few years such land outyields the accumulated total production of the average land in United States.

Not fertile soil for unborn generations, but higher prices for and votes from the present generation is the aim of Washington's new agricultural policy.

Editorial Notes

The expression "called bonds" is a familiar enough one in financial markets. But following repudiations and defaults there may be need for a new classification of "so-called bonds."

Post-Scripts

The Movie Shakespeare

LONDON Film Productions conducted a nation-wide questionnaire in the British Isles recently in an endeavor to find out from the public which Shakespearean play the largest number of Britons would most like to see filmed.

If William Shakespeare were alive today he would not be flattered to know that various Britons expressed their preference for the following works which they attributed to him: "Revolt in the Desert," "Bitter Sweet," "The Wandering Jew," "The India Rubber Man," "Glamorous Night," "The Scarlet Pimpernel," "The School for Scandal" and "Sally in Our Alley."

* * *

Harry McGee's Acorn

COL. HARRY McGEE tells an interesting story about how the T. Eaton Company first established its furniture department.

Colonel McGee joined the T. Eaton Company in 1883 as a clerk as $6 per week. He advanced rapidly until he became vice-president of the company, his present position.

A few years after joining the company he decided to get married. He and his fiancée started to look for furniture. They could find nothing within their means. It all seemed too expensive.

Harry McGee asked the company's chief accountant if he had $5,000 available for a venture. On being told the money could be produced, he made a trip visiting furniture factories and bought sufficient furniture to start a department in the Eaton store in Toronto and incidentally to provide furniture at a reasonable price for his new home.

The T. Eaton Company have handled many million dollars worth of furniture since that time.

Sayings of the Week

"Keep profits in sight and you go on."—*Sir Josiah Stamp.*

* * *

"I am the most popular man in America."—*George Bernard Shaw.*

* * *

"Don't think anything is going to last forever, except taxes."—*Elsie Janis.*

* * *

"The drift of American literature is toward the left."—*Dr. Carl Van Doren.*

* * *

"The automobile approached the coroner at 60 miles an hour."—*Pathfinder.*

* * *

"Man's self-confidence has been shattered by the depression."—*Henry Sloane Coffin.*

* * *

"Is any treaty with Germany more than a scrap of paper?"—*Sir Austen Chamberlain.*

* * *

"What China needs is not more morals but more prisons for politicians."—*Dr. Lin Yutang.*

* * *

"Public life had to be simplified. I eliminated everything not clear and not simple."—*Adolph Hitler.*

* * *

"As no people have ever done in history, we (Americans) have made the peaceful gesture."—*Morris Markey.*

* * *

"Not before 1937 or 1938 will there be what may fairly be called a normal business year."—*W. M. Kiplinger, U. S. economist analyst.*

* * *

"Asia is our world. We in Vancouver must become conscious of her and her trends."—*Robert Cromie, publisher of the Vancouver Sun.*

* * *

"A written speech can never be a good speech. The rhythms of the spoken word and the written word are entirely different."—*Lord Tweedsmuir.*

* * *

"We would have no defaults in Ontario today if proper control had been exercised in the past."—*H. L. Cummings, deputy minister of municipal affairs for Ontario.*

* * *

"I see absolutely no reason why the country should always be ruled by only half the population, and by that I mean the men." — *Lillian Rock, American feminist.*

* * *

"It is plain that we are rapidly approaching the ideal of all militarists, when the world will be entirely in arms."—*Oswald Garrison Villard, in The Nation, New York.*

* * *

"The greatest safeguard of the future of the nation lies in a government with some comprehension of sane economics; the greatest danger is a government that will surrender economic principle to political pressure."—*Dr. Neil Carothers, professor of economics, Lehigh University.*

How Efficient is the State?

Calgary Herald

An address delivered by E. C. Drury, former farmer premier of Ontario, is of timely interest. Speaking in Toronto not long ago, Mr. Drury said:

"There are those, and they are not a few, who say the machine (the present economical set-up) is worthless and ought to be scrapped. The profit-motive, they say, is wrong and must go, as must competition, which is said to be un-Christian, and the haphazardness of private initiative. Instead, we must have production for service rather than profit, a planned economy, state control, in other words: Socialism, Communism. Syndicalism, or what not. It is a pretty picture the advocates of these systems draw. An all-wise benevolent state, guiding and directing all the means of production and distribution for the whole people's good—no want, no unemployment, no poor, no rich, each man contributing to the common effort according to his ability, drawing from the common store according to his need. Can it be realized?"

Answering that question, Mr. Drury says he is not at all convinced that state-directed enterprises are successful, even from the comparatively simple standpoint of efficiency and economy. He discovers an inherent wastefulness and extravagance in government projects that is not found in private ventures, and he instances the Canadian National Railways and the Ontario Hydro-Electric enterprise as examples. He believes the danger of unwise and useless enterprise is inherent in all state control. It is present, to an enormous extent, in Russia, and it is the outstanding feature of the N.R.A. in the United States. Who or what is the state? In Italy it is Mussolini, in Germany it is Hitler, in Russia it is Stalin and the Communist party. In Alberta it is Premier Aberhart and his ministers, men without administrative experience and in several cases without the least business experience. Yet in the first three cases, business initiative has been stultified by government interference and control, and Alberta is being threatened with the same experience.

In the Mail . . .

Selling Canada's Silver

Editor, The Financial Post:

As yet we have heard no voice of protest in Parliament against the improvident deal just concluded with the United States by which Canada's entire silver production is being traded off at the rate of approximately 80 ounces of silver for an ounce of gold. Authentic market records extending back as far as 1687 show that from that date up to 1873, both metals being then legal tender money, silver never was cheaper than 16.25 ounces to the ounce of gold, nor dearer than 14 ounces to the ounce of gold. Mining records for the same period show that the production ratio averaged approximately the same as the value ratio. All evidence indicates that relative value and relative production stood close to this same figure throughout all recorded time. An ounce of gold was worth 16 ounces of silver in China as far back as 700 B.C.

It is reasonable to assume, therefore, that the Creator distributed these two metals in the earth's crust in such proportions that it requires about 16 times as much human effort to produce an ounce of gold as it does to produce an ounce of silver, and that if the demand for both metals were normalized by giving legal tender status to both, their value ratio on the world market would again approach their supply ratio, which is now even less than 16 ounces of silver to the ounce of gold. What sense therefore in trading 80 ounces of silver for an ounce of gold?

Uncle Sam is certainly "putting one over." His avowed purpose is to buy until the price reaches $1.29, thus garnering a profit of some 85 cents an ounce. Canada's sane course is to set the price today at $1.29 and the price of gold at $20.67, and trade for either metal on that basis. A recent statement by Judge Linebarger of Washington, D.C., indicates the enormous potentialities of the Orient. Why not go after that trade with hard cash instead of experimenting with a far-fetched barter scheme as he proposes?

DONALD McDONALD,
Camlachie, Ont.

Editor's Note: That the Creator fixed the relative prices of silver and gold for all time is a religious rather than an economic concept.

Canada has fulfilled its obligations under the world silver agreement, buying upwards of 3,300,000 ounces of silver which showed the Bank of Canada a loss of $489,368 at December 31 last. Both the international silver agreement and the heavy buying of the United States treasury have failed to raise the price of silver. The "sense" in trading 80 ounces of silver for an ounce of gold is that Canada has about 16 million ounces of silver to sell each year, for which no one is prepared to bid $1.29 an ounce. If we do not sell it at the market price we will have to leave it in the ground or store it in a vault. This would pay no miners' wages, feed no hungry mouths and increase rather than relieve the problems of the national treasury.

Small Investor Protests

Editor, The Financial Post:

When a highwayman plans to rob someone he does not apply to the courts of justice for permission to do so as he knows full well permission would not be granted him. The Ontario government likewise did not apply to the courts for authority to repudiate its contracts with the power companies for exactly the same reason.

My memory goes back as far as Confederation days but I cannot recall any other such flagrant abuse of temporary political power and authority by any government in Canada.

The plea of the government is, of course, that too much electric current was being delivered to Ontario by the power companies under the existing contracts. Even so, was that a sufficient excuse or reason for the high-handed action the government has taken to remedy the trouble? Had they gone about it in a friendly and right spirit I feel certain a reduction of twenty per cent in the total amount paid annually to the power companies could have been obtained which would have been sufficient to ease any burden Ontario had been carrying for excess current and at the same time would have enabled the power companies to pay interest in full on all bonds, and dividends, on preferred stock, if not in full at least nearly so.

A friend of mine who suffered severely as a result of the depression gathered up over a year ago the little that was left him and invested it in Canadian Hydro-Electric first preferred stock, thinking it a sound investment. Within three months after he had done so the Ontario government announced one day its intention to smash all the power contracts. Dividend payments on this stock have ceased, leaving my very elderly friend in rather straitened circumstances. What he has experienced in this connection no doubt hundreds of others have also.

There are 150,000 shares of Canadian Hydro-Electric first preferred stock outstanding, I believe, most of which is held in Canada. It has paid a dividend of six per cent up to date. As a result of the meagre amount of current the government is reported as taking from the company and the arbitrary price fixed by the government for same the company has to cease paying dividends.

The unjust action of the government has robbed small investors in the power companies of millions of dollars and the Hydro Commission of Ontario is being benefitted just that much. Does anyone consider this a righteous act? Possibly certain people who have benefitted thereby will answer "Yes." I for one firmly believe that all honest and intelligent men throughout Canada will regard it as high-handed, unjust and reprehensible. I cannot understand why our federal Prime Minister, Mr. King, who has the reputation of always wanting to do what is right, did not curb the unrighteous activities of his confrères in Toronto in this matter. It was reported at one time that he would. Had he done so he would have earned a far greater reputation as a statesman and an honest man than he will by a policy of non-interference. For the sake of the reputation of Canada that repudiation legislation should have been disallowed.

Possibly the Ontario government will make itself Solid with a certain class of voters in Ontario who may benefit by what has been done, but in view of the ruthless and arbitrary way it is robbing those who are helpless in the situation I think honest and intelligent people will regard what has been done as an outrageous abuse of political power and a glaring case of sordid politics.

SMALL INVESTOR,
Toronto.

As Others See Us . . . . .

Premier King's Whisky Deal

Charlottetown Guardian

"Looking into the first two months results of the operation of the U. S.-Canada trade agreement," says The Financial Post, "it is apparent that Canada's greatest immediate gain was in halving of the U. S. A. duty on whisky." Whisky exports in January and February over 1935 were increased by $2,393,000.

"Study of the trade gains of the United States under the treaty," says The Post, "reveals that Canada's increased importations have been spread over hundreds of items. Canada received duty reductions on 63 items, but granted its intermediate tariff on everything, thus reducing or wiping out the duty on a wide range of items representing most of our tariff structure. Many Canadian industries have been hit very badly by the treaty because the indiscriminate granting of our entire intermediate tariff schedule preceded a revision of that column in our tariff to remove the anomalies that had crept into it over a term of years. Typical of such industries are those producing fox pelts, furniture and printing."

"The whisky distillers," concludes The Post, "have achieved a double stroke in the treaty. First they have got an enlarged U. S. market. Second, they have found a way to increase their advertising in Canada. Most provinces forbid liquor advertising in Canadian publications. But periodicals published in the United States and carrying liquor ads may circulate freely. Most of the big Canadian brands are extensively advertised in American magazines. Increased circulation for these magazines will increase sales of these whisky brands in Canada and also the per capita consumption of wines and liquors. It is not likely that the whisky-magazines swap was deliberately planned by the government but it has been a chief result of the treaty anyway."

A Challenge

Halifax Herald and Mail

Recently the publisher of this newspaper was asked by the business editor of the Toronto Financial Post for a statement of Canada's five chief problems and how in his opinion these problems might be solved.

And of all Canada's problems that of UNEMPLOYED YOUTH is the most pressing and the most tragic.

Canada is a young country of vast resources and tremendous potential strength. It is not only an immense granary for the world and a producer of foodstuffs in immense quantities, but it has within its boundaries a natural wealth the surface of which is no more than scratched.

And still, in a country such as this, with all these splendid advantages, we have the sad spectacle of armies of young men moving about the land or idling in our towns and cities unable to find employment — many of whom, as said, "have never had a day's work in their lives."

It is a direct challenge to the conscience and resourcefulness of the whole citizenship of this country.

Stop Me If You've Heard This One . .

How is your son getting on at college?

He must be doing pretty well in languages. I just paid for three courses—$10 for Latin, $10 for Greek, and $100 for Scotch.

Individual Investment Requirements

No two persons have quite the same circumstances or obligations to consider in managing their investment affairs. It is the aim of this organization to make such investment suggestions as will best suit the specific requirements of individual clients.

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Week in Business

Canada's Export Trade Best Since Nov. 1930

General Improvement Shown in March Figures — Shipping Prospects — Ottawa Focal Point — Commodity Prices

Every time our foreign trade figures appear these days, they make news. Thus early returns for March reveal the largest export trade for that month since 1930; the largest import business since 1931. Exports were actually greater than in any month since November, 1930. Largely responsible for the good export showing was the sharp gain in wheat shipments compared with a year ago and an increase of 22 per cent in sales to United States. Total exports for the month were over $73 millions, of which $27.8 millions went to U. S. Imports during the month were $52.9 millions, of which $32.9 millions (5 per cent more than last March) came from U. S.

Analysis of our trade with U. S. for the first quarter of 1936 shows a 24 per cent gain in exports and a 9.2 per cent gain in imports. The export total for the quarter is $70.8 millions; the import figure, $85.2 millions.

Total trade with all countries for the fiscal year ending March 31 is also encouraging, with total exports of $779 millions representing the largest figure for any fiscal year since 1930-31 and an increase of 16 per cent since last year. Total imports at $562.9 millions are almost 8 per cent better than last year and only slightly less than the total for the fiscal year ended March, 1932.

* * *

And this week, up and down Canada's 1,000-mile inland waterway the thrill and throb of 1936 shipping season opens. Everything points to better business, with fewer boats laid up, more men at work and passenger trade at a new high mark since the depression. Although actual icebreaking at Montreal was a week earlier this year, the season as a whole is about two weeks later than usual—particularly in the upper lakes. Welland canal opened officially April 20 but it will be May 1 before the Sault locks open and navigation becomes general—even down through Ontario ports. Of wide significance also is this week's announcement from Hon. C. D. Howe that the amended and controversial Canada Shipping Act will definitely be proclaimed Aug. 1 in an attempt to aid Canadian vessels and prevent U. S. boats from carrying Canadian grain from head of lakes to Montreal by transhipment at a U. S. port en route.

* * *

Meanwhile business looks eagerly to Ottawa with momentous legislation and pronouncements due within the next few weeks. Latest word on the budget places the date tentatively at May 5 (five days after individual income tax returns are filed) and in addition such key events as Saskatchewan's next bond maturity (May 1); the Supreme Court decision on the New Deal—plus a host of enquiries into wheat, agricultural implements, radio, small loan companies, government annuities, etc. The new régime for handling Canada's relief problems also gives promise of being a major national milestone which may have very far-reaching effects on all types of business.

Business Indicators

Changes of the Week

Favorable

Wheat exports in March reached the highest for that month since 1933 and were 47 per cent above the same figure last month.

Foreign trade was sharply higher in March due to increased wheat shipments and higher trade volume with United States.

Other gains—Insurance sales, newsprint production.

Unfavorable

Building permits in 58 cities slumped 41 per cent from corresponding figures a year ago due to adverse weather conditions and the inclusion in 1935 figures of an exceptionally large public building.

Carloadings sagged considerably the week of April 11 due to sharp falling off in movement of coal, wheat and miscellaneous merchandise.

Other declines—Sugar shipments and maufactures.

Leading Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

WEEKLY DATA	Latest		Cumulative Total Jan. 1 to date	
	1935	1935	1936	1935
Transportation—				
Car loadings (Apr. 11)	▲40,235	43,556	628,838	642,878
C.N.R. gross earn. (Apr. 14)	$ ▲3,203,752	$ 3,159,326	$ 46,842,457	$ 44,684,752
C.P.R. net revenue (Apr. 14)	$ ▲2,474,000	$ 2,289,000	$ 34,271,000	$ 30,999,000
Business Conditions—				
Weekly index D.B.S. (Apr. 11)	▲107.6	100.2	......	......
MONTHLY DATA				
Business Conditions—	1936	1935	1936	1935
Financial Post index (Feb.)	106.6	98.3	......	......
Transportation—				
C.P.R. net earnings (Feb.)	$ 867,397	$ 850,144	$ 1,479,969	$ 1,054,456
C.N.R. net revenue (Feb.)	‡288,460	$ 132,567	$ ‡864,790	$ ‡613,786
Iron and Steel (Feb.)—				
Pig iron production (tons)	55,751	37,259	117,087	81,675
Steel ingots and castings prod. (tons)	93,365	56,006	193,590	115,532
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (Feb.)	4,299	5,987	9,029	8,835
Factory output (Feb.)	10,853	13,885	22,114	22,154
Trucks and Buses:				
Domestic sales* (Feb.)	1,113	1,253	1,927	1,868
Factory output (Feb.)	2,415	4,229	4,456	6,567
Exports (Feb.)	5,143	7,869	10,225	12,455
Construction—				
Building permits (Mar.)	$ ▲2,361,271	$ 4,022,755	$ 5,556,871	$ 8,507,270
Contracts awarded (Mar.)	$ 10,289,100	$ 8,499,000	$ 32,127,200	$ 29,391,300
Newsprint (tons)—				
Production (Mar.)	▲233,900	205,682	683,424	587,946
Sugar (lb.)				
Melting & shipments§ (raw)	▲22,935,521	27,020,430	64,425,496	64,787,549
Manufactured§	▲22,330,975	24,415,180	67,145,510	79,895,292
Flour (bbls.)				
Production (Feb.)	1,019,017	941,417	2,001,005	1,966,375
Wheat flour exports (Mar.)	▲476,773	497,468	1,131,186	1,153,296
Trade (February)—				
Retail trade (index no. of sales)	69.1	69.1	......	......
Imports (Mar.)	$ ▲52,904,793	$ 48,176,831	$ 142,092,467	$ 122,449,946
Exports (Mar.)	$ ▲73,213,800	$ 59,062,422	$ 187,829,722	$ 151,113,456
Wheat exports (bush.) (Mar.)	▲13,146,185	8,906,379	34,944,674	21,493,205
Employment, D.B.S. Index (Mar. 1)				
All industries	98.9	96.4	......	......
Manufacturing	99.5	92.7	......	......
Electric Power Output (Feb.)—				
Total monthly (000's omitted)	1,937,550	1,803,447	4,028,591	3,816,189
Aver. daily	66,812	64,409	......	......
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft. (Feb.)	25,360	88,670	97,596	163,861
Boot & shoe prod., pr. (Feb.)	1,835,240	1,580,041	3,349,199	2,909,921
Crude petrol., imp., gal. (Feb.)	39,654,916	53,576,228	100,786,265	113,524,512
Cotton imports, lb. (Feb.)	11,724,000	6,193,000	31,663,007	17,261,000
Raw rubber imp., lb. (Feb.)	4,256,000	3,491,000	8,194,272	9,471,505
Coal imports, tons (Feb.)	530,842	494,491	983,520	973,417
Finance—				
Bank debits (Feb.)†	$ 2,767,449	$ 2,089,041	$ 5,759,517	$ 4,771,091
Bond sales (Feb.)	$ 138,913,775	$ 25,734,700	$ 272,570,889	$ 44,961,200
Life insurance sales (Mar.)	$ ▲31,664,000	$ 31,416,000	$ 96,125,000	$ 93,120,000
Automobile Financing—				
Used cars (Feb.)	$ 906,921	$ 848,001	$ 1,881,817	$ 1,361,077
New cars (Feb.)	$ 1,006,756	$ 1,136,203	$ 2,042,634	$ 1,787,475

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For 4 weeks to Mar. 31,1936. ‡Deficit.

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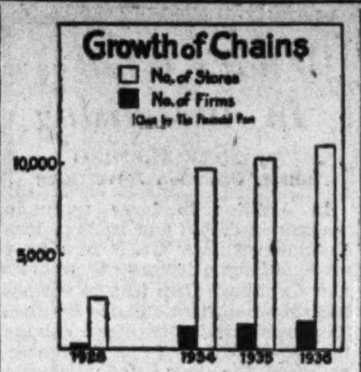


Number of Chains Gains 7 Per Cent

Increase of 5 Per Cent in Outlets Reported For 1935

Canadian chain stores in 1936 totalled 10,929 operated by 1,403 firms, according to Val Fisher, head of Canadian Business Research Bureau. This is an increase of 5 per cent in the number of stores and a gain of 7 per cent in number of firms operating chains.

The only groups to show a decline in number of stores operated in 1936 compared with the previous year were candy chains, women's wear shops and fruit chains. The figures show a drastic decline in number of radio chains, but this is explained as due to a change in classification.

Comparative figures for the past two years follow, it being explained that a chain is defined for purposes of the analysis as "three or more stores under ownership, but not necessarily under one name." The figures are exclusive of voluntary chains or buying rings.

Canadian Chain Stores

Grocery	209*	2,700*	240*	2,894
Drug	97	548	97	589
Shoes	62	375	67	461
Candy	29	243	28	235
Department	42	300	44	320
Radio	85	560	44†	187
Hosiery, Women's Wear, Furs	97	496	97	475
Meat shops	65	410	74	413
Bake Shops	50	258	51	295
Hardware	84	560	85	660
Men's Hats	6	30	6	30
Men's Furnishings	35	150	42	157
Furniture	22	176	28	180
Tobacco, Cigars	20	260	24	275
Variety (5c to $10)	30	420	28	428
Cafes, Hotels	43	325	50	400
Tailors	22	210	22	210
Fruit	22	85	22	84
Electrical Goods	23	220	24	223
Autos, Access.	72	400	100	500
Dry Cleaning	44	234	55	275
Lumber	24	485	39	638
Miscellaneous	123	967	136	1,000
Total	1,306	10,402	1,403	10,929

*Includes some chains of general stores selling groceries.
†Decrease due to change in classification.

Foreign Trade

Weekly foreign trade news summarized by Commerce Reports, Washington, follows:

Japan—Some signs of improvement in business sentiment has appeared despite uncertainty with regard to government financial and economic policies; the stock market has strengthened somewhat, but bond quotations are generally weaker.

China—Foreign trade for the first two months of the year shows a decline from last year and the import excess for February more than offsets the favorable balance of January.

Philippine — The sugar crop, though short, is satisfactory to most planters, providing a welcome opportunity to sell reserve supplies, and shipments to the United States this year are expected to be practically twice as large in value as last year.

Venezuela — Recovery trade was retarded in March, owing to uncertainty regarding monetary developments and the slackening in foreign demand for coffee.

Colombia—The optimism apparent in business during February was lost in March, owing to unfavorable developments, including low coffee prices and the absence of the anticipated seasonal business recovery.

Guatemala — Conditions during February and early March were about normal for the season, despite lower coffee prices; exports of coffee and bananas during February considerably exceeded the volume recorded in February, 1935.

Poland—Exports decreased in February as compared with January, with imports practically unchanged, and the export surplus for the two months was considerably smaller than in the same period of last year.

Hungary—Foreign trade in the first two months of this year showed a substantial gain over the corresponding figures of last year, with the favorable balance practically unaltered.

Irish Free State — The situation continues to be featured by the development of industrial activities.

Union of South Africa—Trading has recovered from seasonal slackness and rainfall has improved the agricultural situation.

New Cereal—made from a blend of wheat, oats, rye and flax and while designed primarily for use as porridge, the cereal may be used in preparation of other delicacies. This has recently been introduced in Edmonton by the Gillespie Grain Co.

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$6.75	$6.25	$7.50
Hogs	9.00	9.10	9.45
Copper, lb.	.09½	.09¼	.09
Cotton, lb.	.1181	.1169	.1190
Rubber, lb.	.1606	.16	.1168
Sugar, raw, lb.	.0375	.0375	.0325
Silk, lb.	1.69	1.71	1.40
Wheat (Man.) bus.	.81¾	.80½	.89⅛
Coffee, lb.	.06⅝	.06⅝	.07⅛

Weekly Indices

N. Y. Annalist	124.4	124.0	126.6
Fishers'	82.6	82.5	81.5
N. Y. Journal of Comm.	80.3	79.6	79.9
Crumps (Brit.)	68.3	68.4	63.7
U. S. Labor	79.2	79.3	79.2
Canada (D.B.S.)	72.0	72.1	72.5

Monthly Indices

Canada (D.B.S.)	Latest month	Prev. month	Same last year
Retail (Mar.)	80.5	80.4	78.8
W'sale (Mar.)	72.4	72.5	71.9
U. S. Labor (Feb.)	80.6	80.6	79.5
Gt. Brit. (Feb.)	78.7	77.2	71.8

Note: The base of indices is that 1926 equals 100. British index is Economist converted to 1929 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lb., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15, New York: Sugar — 96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; select bacons, Toronto.

Background of Business

Pacific Lumber Exports Show Important Gains

Japan Plans Radio Tie-up With Canada — Quebec's Sales Tax — Coal Banks Low — Sugar Beet Plans Under Way

Reports from New Westminster state the outlook for the lumber industry continues favorable, though the situation respecting logs is unsatisfactory.

Owing to bad weather conditions, log prices are up $3 since last September, with not much promise of a reduction until the middle or end of May. As a result, lumber prices have also risen, and the export market, particularly to the U. K., has suffered in consequence since the beginning of the year. China and South Africa are taking a fair volume, and the mills generally are employed on a fulltime basis.

Analysis of export trade figures from the coast show February shipments at 86.7 million, F.B.M.—a gain of 40 per cent over the same figure a year ago, due largely to the Canada-U.S. trade agreement. Exports to China increased 7 million F.B.M., and to Japan (as a result of the trade agreement) shipments jumped from 300,000 to 1.7 million F.B.M. U. K. trade exports dropped 6 million F.B.M.

* * *

British Buy Spruce

And apropos of lumber an interesting development of the month was the placing of a British order for Nova Scotia spruce, the first business of any size in years. Further orders are apparently contingent on the quality as compared with similar supplies from Russia.

* * *

Less Coal Banked

The amount of coal banked this winter at Glace Bay is reported the lowest for many years. Early in April there were but slightly more than 79,000 tons in the screen bank at Sidney, compared with 213,000 tons a year ago.

In the slack bank, there were less than 29,000, compared with 62,000 last year, or a total on both banks of 108,000 against 274,000 tons at this time last year.

* * *

Costly Speed

A taxicab test in Cincinnati recently showed ample proof that excessive speed was not only dangerous but very costly, says Business Week.

Trips of 4 to 7½ miles were made, first at highest possible speeds, then at 20 and 25 miles maximum speeds. The first run averaged 68 stops for lights, signs and traffic against 49 tops at the 25 miles per hour pace; required 20 per cent more shiftings from low gear, 30 per cent more shiftings from second gear. Yet average speed varied little—31.8 against 23.7 miles per hour. Gas mileage dropped with faster driving from 14.5 to 11.1 miles per gallon. Thus, Yellow Cab, which made the test, concludes that lower operating speeds add less than three minutes to the longest trips and pays dividends not only in increased safety, but also in significant increases in operating economy and decreases in cab maintenance.

* * *

Quebec Sales Tax?

There is a possibility that Quebec city may adopt a municipal sales tax on luxury articles. Several aldermen have expressed themselves in favor and the matter has apparently been placed before a subcommittee on amendments to the city charter.

If adopted, the impost would be similar to Montreal's. It would be 2 per cent and charged in the form of stamps. Outside as well as local purchasers would be affected and at least $500,000 raised—it is hoped.

* * *

Japs' New Fight

Australia is the latest country to stage a rayon battle with Japan. Japanese rayon interests state they will cease shipments to Australia if the Commonwealth increases the duty on Japanese rayon. Japan apparently feels indignant at the announced intention of the Australian government to raise this duty because of the fact that trade figures indicate favorable balance for Australia in the proportion of four to one.

Trade agreement negotiations, according to Whaley-Eaton Foreign Service, are stuck on dead centre, and the main hope for bringing them to a successful conclusion now lies in a rayon-for-wool trade with Japan proposing to take a large part of the Australian wool clipped in return for Australian purchases of Japanese textiles.

* * *

Television Ahoy

Radio Corp. of America is now approaching the first great adventure in television, according to Business Week. A new high-power television broadcasting station is said to be about ready at the top of Empire State Building, and broadcasting, it is said, will start probably in May or June, to some 100 or more receivers at strategic points in the metropolitan district of New York, at distances probably up to 25 miles.

Meanwhile, because of the far-reaching effects successful operation would have on radio, movies, newspapers, and so forth, the chief engineer of the Federal Communications Commission has requested that no commercial licenses be granted for television broadcasting in the United States. Public hearings on this phase of the problem will begin June 15.

* * *

Jap-Canada Radio

It is reported that Canada is one of 25 nations with which Japan intends to make radio connections by the end of the 1937-38 fiscal year.

Elaborate plans are said to be under way by the Japanese Communications Office to speed development of Japan's foreign trade by such connections with a view to linking up with 25 nations not now in direct communication with that country. Most of the nations listed are new markets, but a few are markets where Japan is making a special effort to promote reciprocity.

* * *

Sugar Beet Prospects

Some 5,000 farmers of southwest Ontario have been notified that Canada and Dominion Sugar Co. is preparing to contract for sugar beet acreage for the current year.

Contracts this year are the same as last, at the basic price at $5.25 per ton delivered at the factory, or $4.50 at weigh scale. This price maintained through 1933, 1934 and 1935, and as in other years will be subject to the same bonus for beets which had more than 14 per cent sugar content.

* * *

Harris Tweeds Safe

Harris Tweed Association Ltd., London, England, won an order from the U. S. Federal Trade Commission in Washington, protecting the name and trademark of Harris Tweed cloths. The case was brought before the Commission when a certain distributor was charged with representing other cloths as Harris Tweeds through a confusion in the wording of advertising.

The order defined Harris Tweed as a tweed that is hand woven and manufactured in the outer Hebrides, Scotland. It prevented other materials from being advertised as "imported British wool, Harris Tweed type," or "loomed from imported Harris Tweed wools," or "loomed from British Island Wool, Harris Tweed type," and from making, in advertisements of any character, claims that merchandise is like or similar in substance to Harris Tweed as defined above.

* * *

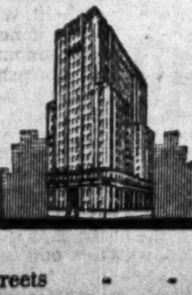
Hardware Prospects

The immediate outlook for retail hardware sales is steadily growing brighter, says Hardware and Metal. Cool weather during March retarded development of spring sales, but April is recording much greater stimulation in the demand for hardware and paint lines. Household requirements, for painting, gardening and housecleaning, are steadily improving sales, and most dealers look for a much better spring than last year.

Wholesalers indicate that heavy deliveries of seasonable merchandise were made to the trade at the beginning of the month, and retail stocks are in good shape to meet current demand.

Tobacco Exports Rise

For the first two months of 1935 the export of Canadian tobacco to Great Britain amounted to 3,351,939 pounds, as against 4,939,549 pounds from all the other empire countries.



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Loblaw Profits Have Good Gain

Percentage Rise in Profit Exceeding Percentage Gain in Sales

Profits of Loblaw Groceterias Co. for the 4 weeks ended April 4 were nearly 10 per cent above those for the 1935 period. Percentage gain in profits is now outrunning the percentage gain in sales. Earlier in the current fiscal year, sales showed increases, while profits were down slightly Details follow:.

4 Wks. to April 4:	1935 $	1934 $	Incr. %
Sales	1,310,522	1,233,370	6.26
Profits	67,056	61,145	9.67
44 Wks. ended April 4:			
Sales	13,656,238	13,062,228	4.55
Profits	689,157	668,579	3.08

Canned Fruit Exports

The principal canned fruit products, exported from Canada to the British Isles consists of pears. In 1935, 236,000 cases of canned pears were exported to Britain, an increase of 15,000 cases on the 1934 exports.

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In The Construction World

Weather Unfavorable

A DECLINE in building permits for the first three months of the current year as compared with 1935 merely indicates that Canadian weather has been colder than usual. The decrease does not reflect any falling off of interest in construction. January, February and March are not normal months for building operations. Construction undertaken during that period has usually some special objective in mind, one that more than offsets the extra cost of pouring concrete or laying bricks in freezing weather.

Annual reports of Canadian construction companies now appearing give one a better picture of the general situation. Almost invariably these cite a gradual improvement in 1935 and the hope that the situation will still further improve in 1936. Unofficial April reports of actual business indicate that there is a substantial foundation for the hope expressed.

The larger industrial companies, those that are interested in big office buildings, giant bridges, railroad and harbor contracts, admit this sort of business cannot be expected in volume much before 1937. On the other hand, they reasonably hope for sufficient of it and the more prosaic routine jobs, to keep them out of the red.

* * *

Housing and Stores

IN THE housing and smaller building field, there is confidence that in Eastern Canada at least conditions will be much improved. Already in the last half of 1935 there were abundance of signs. House building was more active and there was a substantial pick-up in the construction of stores, small theatres and apartments. Hand-in-hand came extensive modernization programmes by many of the larger chain organizations. New fronts were put in, modern fixtures and large outlays for paint, electric fittings, wiring, hardware and all the other items which go into large or small building of this kind.

But with practically all kinds of construction, the active season is the time when it is practical, and pleasant to work outdoors. Concrete sets more quickly and firmly, steel work goes up more speedily, and paint flows more smoothly, when the mercury registers well above the freezing point. There was little such favorable weather right across Canada during the late winter. A decrease in construction in the first quarter, therefore, is no surprise.

* * *

Defeating Winter

WEATHER or no weather, however, there are some cases where the job, like the play must go on. Such an example, is Continental Can Co.'s new plant now nearing completion at New Toronto. Planned to produce containers for the first canning crops of 1936, some of which, like asparagus, will be ready by the end of the month, Austin Co. of Canada, contractors, were asked in January to have the building ready for the first machinery by the middle of April.

Literally the job called for a building within a building. To protect workers and concrete, a temporary tarpaulin covered structure with a removable roof was erected. Under this, the reinforced three-story can factory was built. Normal weather conditions for such a job were created artificially and after that building was practically a matter of course. While certain small rush jobs have been constructed in a similar manner in Canada in the past, this was probably the first large contract so handled.

* * *

Wanted—a Cheap House

NO GREAT skill is required to construct a fairly modern six-roomed house at a total cost of $5,000. This sort of thing is going on every day and in every city of Canada. But a building of this kind will not solve the problem of shelter for the $1,200 or $1,500 a year man, nor will it tap the low price housing field for the host of companies interested in building on a large scale.

Canadian builders might well study what has been going on in the low price field in United States. There, stress has been laid on small $1,500 to $2,500 houses by both government authorities and the building trade. Interest in the same sort of development is reported from Great Britain though there the emphasis has been centred on flats or apartments which would rent at correspondingly low figures.

Individually such jobs may represent very little profit to the contractor, the architect, the plumber and the sellers of brick, cement and lumber, but in the aggregate it is on such a type that construction must depend for its main business.

Canadian General Electric Co., Toronto, has announced a new low-voltage alternating-current contractor which will stay closed through voltage disturbances or failure by means of a permanent magnet made of a new alloy called Alnico which retains its magnetism indefinitely.

Permits Down; Weather Cause

First Quarter Off in Canada — Dwellings Gain

Value of building permits in 58 Canadian cities in March was almost $2.4 millions according to the Dominion Bureau of Statistics. This was about 24 per cent higher than February. Accumulated total for the first three months, however, was down over 40 per cent from a year ago. The decline, explain bureau officials was due to unusually severe winter weather conditions throughout the Dominion and also to the fact that authority was granted in the first quarter of last year for a large public building programme.

Fifty cities reported that 265 dwelling permits had been granted in March as compared with about 100 for February. Engineering construction planned for the same month was insignificant.

Increases in East

All eastern provinces as well as Alberta and Manitoba reported increases in the value of buildings authorized during March as compared with February. The greatest gain was made in Ontario, while a sharp decrease was reported in British Columbia. The latter, however, showed a big gain over March a year ago.

Of the cities, Montreal showed both a gain over February and also March a year ago. In Toronto and Winnipeg there were gains over the preceeding months but losses in comparison with March 1935. Vancouver gained over a year ago but was down from February, 1936.

Most of the smaller cities showed gains in building permits over both February ad March 1935.

As compared with 1926 value of total Canadian permits issued in the 58 cities for the first three months of 1936 was slightly under 25 per cent. Costs, based on wholesale prices of building materials, are estimated at 84 per cent of those prevailing in the first quarter of 1926.

More Insulating Boards Going Into Construction

Recent figures covering insulating board shipments in Canada, not only indicate an increase in general building activity but also a gain in the use of insulating material. Such shipments for the first quarter of the current year, according to the Dominion Bureau of Statistics, represent an advance of 50 per cent over the corresponding period in 1935. Most lines in March were up substantially over a year ago and also over February of 1936.

Total for 1935 was almost double shipments made in 1933.

The material is used extensively as sheeting under outside surfacing of bricks, stone, stucco, etc., and under ordinary roofing material. Its purpose is for making the structure fire resistant and also for insulating against heat and cold.

Details are as follows:

INSULATING BOARD SHIPMENTS

	—March—		Feb.	1st 3 months		Total	Total	Total
Boards:	1936	1935	1936	1936	1935	1935	1934	1933
Panel	1,701	1,462	1,362	4,407	3,069	19,092	17,015	9,867
Base	231	187	243	880	386	2,931	2,698	1,203
Roof	54	50	36	222	115	2,569	2,095	1,473
Misc.	480	220	410	1,411	851	3,371	2,890	2,167
Totals	2,466	1,920	2,050	6,920	4,421	27,963	24,697	14,710

Note:—All figures in thousands of surface feet of one-half inch thickness.

Nearly Three Million Houses Built in Britain Since War

Since the end of the war, almost three million houses have been erected in Great Britain. This is equal to about 40 per cent of the existing total in 1919. Considerably more than half of the new building was erected without any state assistance whatever. There have been three recent building booms in the Old Country. The first reached a climax in 1922, the second, and a much greater one, in 1927, and the third still is under way. In 1934, slightly over 310,000 new homes were erected, with the estimate for 1935 slightly higher.

Disregarding houses built to accommodate those people who lost their homes as a result of street extensions or improvements and other reconstruction schemes, the grand total of new dwellings from the time of the Armistice until the end of September, 1935, was 2,804,888. Of this 1,572,896 was made up of unassisted buildings. Houses erected with some assistance from the state or local authorities numbered 1,231,992.

Since the Armistice and up until September, 1935, the government has granted almost £90 millions for assistance in house building.

As a result of this vast activity the whole urban face of Great Britain, especially in the more active south, has been changed. Former peaceful rural committees at some distance from pre-war London and other centres, are now thriving suburbs. New building also, has been very pronounced along the lately constructed trunk motor highways.

Occupancy 100%; New Building 0

Sometimes theories fall down.

When the percentage of dwellings occupied in any municipality reaches 90, builders immediately scent new contracts. This is the signal for building.

But in the case of the village of Haliburton, in central Ontario, such a rule apparently does not hold. For the last four years every one of the 306 houses in this municipality has been occupied. And yet not a single new dwelling is reported as being put up during the period.

However, the purchase of one of the existing structures by the Red Cross this spring has brought the situation to a crisis, and either a new house must go up or a family move out.

New Industries

Pacific Coast Packers, Ltd., Vancouver, has let the contract for the new plant to the Dominion Construction Co. Work will be started at once.

Mabury Engineering Corp., Vancouver, will soon be in production making a complete line of automatic coal stokers.

Epsom Refineries, Ashcroft, B.C., has installed new equipment which has doubled the capacity of the plant.

Canadian Westinghouse Co. announce immediate construction of a modern electrical repair shop and warehouse at Swastika, Ont.

Federal Match Co., Ltd., plan construction of a factory at Ottawa. (Ottawa Evening Journal).

Knitters Limited, Lindsay, Ont., announces an extension in operations in the form of the manufacture of fine yarns. (Lindsay Post).

Wetherhead Co., of Cleveland, Ohio, will establish a branch factory at Windsor, Ont., to manufacture house, chocked controls, draincocks, etc.

* * *

Daily Commercial News notes that:

Sterling Caskets, Ltd., Toronto, will construct an addition to the factory on Adelaide St.

Pepsi-Cola Co. of Can., Ltd., Montreal, has leased a former shoe factory from Montreal District Real Estate Co. for conversion into a bottling plant.

Canada Malting Co., Winnipeg and Toronto, is receiving tenders for construction of an addition to the elevator in Winnipeg.

Drumheller Coal

Coal shipments from the Drumheller field during February, 1936, amounted to 253,148 tons compared with 68,345 tons for the same month last year.

No Loans Yet In Winnipeg

Loaning Officials in West Not Keen on Housing Scheme

From Our Own Correspondent

WINNIPEG.—No loans under the Dominion Housing Act of 1935 have so far reached Winnipeg, nor does it appear likely there will be any to an appreciable amount. Most of the loaning agencies in the West are branch offices with headquarters in Eastern Canada and officials therefore are extremely reticent when it comes to making any definite statements.

Three Main Objections

Objections to forwarding applications to Ottawa for money under the housing plan are summed up under three main headings.

The first is the loaning companies do not consider it sound business.

The second is they do not consider borrowers under the act as good moral risks, which after all is merely an extension of reason No. 1.

The third is loan companies have lost confidence in Dominion and provincial governments by reason of passing legislation such as the Dominion Housing Act, Farmer's Creditors Arrangement Act and the debt adjustment acts. This legislation, they say, has practically destroyed all credit and until credit is restored and put on a sound basis, no permanent improvement in business will take place.

Risk Too Great

It is stated that the average man who requires a loan of 80 per cent is a man doing business on a shoe string and is a man who has not shown a great deal of business ability. No doubt the Winnipeg Housing Commission operations may be referred to as indicating that some of the foregoing statements may be unjust. The 1935 report of this body, however, shows under the heading of "Total Arrears of Principal Interest and Taxes" the following:

Year	
1921	$ 521.34
1922	1,427.97
1923	724.83
1924	388.57
1925	645.00
1926	312.19
1927	1,219.29
1928	892.97
1929	1,027.41
1930	3,769.02
1931	11,130.72
1932	29,072.73
1933	63,434.00
1934	98,938.05
1935	140,288.87

Out of 485 loans still outstanding 232, nearly 448 per cent are now in arrears for principal, interest and taxes to the extent of over $140,000. This is an average of over $600. Nine other mortgages have had to be foreclosed and the properties are now held by the city.

Asphalt Roofing

Production of asphalt roofing in March was 57,282 squares and 1,655 tons against 79,565 squares and 1,331 tons a year ago.

$1,500 Home Said Feasible

Washington Announces Modern House for Low Income Group

A modern house for approximately $1,500 is considered possible by the Federal Housing Authority of United States. This is planned as a solution for families in the lowest income group. The authorities at Washington point out, however, that there is no attempt to provide a $5,000 dwelling for the figure mentioned. What is expected, it is frankly admitted, is adequate shelter for a family of four, with a dwelling that provides satisfactory functions of living and proper sanitation. No factory production is planned, but simply a structure that can be built by any carpenter-builder in any village, town, or city and with materials at hand.

Complete Under $2,000

Exact cost, of course, will depend upon the price of the lot, the basic figure supplied at Washington being $1,200 to cover the building only. Lots, it is expected, will run all the way from $200 to $600, making the price complete something well under $2,000, and, on an average, in the smaller centres where real estate values are low, approximately $1,500.

While a structure of minimum capacity for a family of four is planned, and there is nothing fancy about the job, the basic plan is arranged so that it may be elaborated at additional expenditures of anything up to $1,000.

Simple Design

The house planned is a structure approximately 22 ft. by 26 ft., and includes one fair-sized bedroom, one small bedroom, a bath, and a combined kitchen-dining-and-living room of approximately 21 ft. by 11 ft. The price of $1,200 exclusive of lot, includes the bathroom fixtures, heater, hot water tank, range and sink, but not a refrigerator. The house is wired, and it is assumed that water and sewage facilities are available at the lot. If not, the price is higher, of course, as it would have to include a well and septic tank. Storage facilities are available in the attic under the roof, and where excavation is feasible and easy, in the cellar.

At Minimum Cost

The plan permits, with extra cost, of course, separation of the kitchen from the living room and the addition of an extra bedroom. Everything is planned to cut down cost, the bathroom and kitchen being arranged so that one plumbing stack serves the fixtures in both rooms. Windows are in stock sizes, and the rooms designed so that ordinary sizes of lumber are used with no waste. While the exterior is originally planned of wood, the house can be built of brick, cinder block, or stone if available locally. It is erected on a concrete slab foundation.

Financing will be arranged under the F. H. A. (Federal Housing Authority) at low rates, probably around four or five per cent, and amortized so that the building will be completely paid for in 20 years. This makes a very low monthly rate of payment possible.

City Would Raze Unsafe Buildings

Under a building by-law now being considered by Montreal's City Council, forced demolition of unsafe buildings is possible. If owners of such structures cannot be located, watchmen or guards can be stationed and charged to the administrators. If the latter fail to tear down the building, then the city can do the job itself and charge up costs.

The proposed by-law is a result of a fatal accident last year when the city could not find anyone to force razing of an unsafe and ancient building.

Halifax Cargo Tonnage Records Small Decline

From Our Own Correspondent

MONTREAL.—Total cargo tonnage handled at Halifax last month was somewhat less than a year ago. While imports increased from 104,835 to 106,541 tons, exports declined from 123,877 to 109,366 tons.

For the first quarter of 1936, the cargo handled at the port totalled 647,640 tons, divided almost equally between imports and exports. This is in contrast to total business of 724,805 tons for the first three months of 1935.

B. C. Mine Dividends

Mining dividends in British Columbia in 1935 amounted to $8,741,135 compared with $6,167,278 in 1934, increasing from 14 to 17 per cent of the value of production.

What's What In Advertising

By TORY FLEMING
Editor, Canadian Advertising

In addition to large space in magazines, dailies and trade papers, Dominion Rubber Co. is running a series of unique demonstrations of its new Centipede Grip tire. In various centres throughout Ontario the firm has staged public showings involving the use of two cars, one Centipede-equipped, the other fitted with what was previously Dominion's best make. The crew arrives in town, requests the Fire Chief to flood one of the streets in the business section and in no time has a crowd collected. The two cars then demonstrate the fact that the Centipede tire will stop a car on the wet pavement without skidding the way the other does. The act has proved a great success in a number of cities.

* * *

With a larger appropriation Moffatt's Ltd., Weston, is extending its advertising activities. Full pages in magazines will feature the firm's newest lines of electric ranges and refrigerators and metropolitan dailies will carry space for the electric ranges. Moffatt gas ranges copy will appear in dailies throughout Ontario and Quebec centres. E. W. Reynolds Co., Toronto, is directing the campaign.

* * *

Advertising for the Eagle Shoe Co., makers of Strider shoes is now being directed from the Montreal office of the Jas. Fisher Co.

* * *

S. D. Hagerman, advertising manager of Stewart-Warner-Alemite Corp., Belleville, Ont., has resigned to become general manager of the Corbin Lock Co. in the same city.

* * *

Bertram E. Randall, formerly with Distillers-Seagram Corp. and Old-Tyme Distillers Inc., has organized an advertising agency in Montreal under the name of Bertram E. Randall and Associates. Offices are in the Dominion Square Building.

* * *

At the closing meeting of the Advertising Club of Hamilton directors were elected. Those chosen to act with the five elected last year were Frank L. Appleford, M. Banker Bates, Alvin P. Cadeau, Ernest K. Goodman and Walter T. Holmes. Officers will be named at a meeting of the full directorate to be held shortly.

* * *

Head offices of the Canadian Press is being moved to the Metropolitan Building, Toronto, where the newspaper service has taken over a floor.

* * *

Dates for the annual meeting of the Advertising Federation of America have been set at June 28 to July 2. Many Canadians regularly attend the Federation meetings and this year a number of leaders in British advertising circles will be on hand. Boston is the locale.

* * *

A. McKim Ltd., have been appointed to direct the advertising for the St. Johns Silk Co., makers of Chatelaine hosiery.

* * *

Plans for an intensive advertising campaign are being completed by Supertest Petroleum Corp. The announcement comes from H. V. Kennedy, general sales manager of the firm, who outlined sales and advertising policies for the year to more than 300 dealers from Toronto and vicinity attending the dinner given them by Supertest in that city April 14.

E. W. Reynolds Co., Toronto, is now directing the advertising of Northrop & Lyman, makers of Olympene, Dr. Thomas Eclectric Oil, Egyptian liniment.

EVERYTHING ELECTRICAL
for the Construction Industry
LIGHTING
Magnalux
Luminaires
NOFUZ
Panel Boards
MOTORS and
CONTROL
ARC WELDERS
and Electrodes
REFRIGERATORS
RANGES
Westinghouse
CANADIAN WESTINGHOUSE COMPANY, LIMITED
HAMILTON, ONTARIO
Branch Offices: Vancouver, Calgary, Edmonton, Regina, Winnipeg, Fort William, Toronto, Montreal, Halifax • Service and Repair Shops: Vancouver, Calgary, Regina, Winnipeg, Toronto, Montreal

CARTER-HALLS-ALDINGER
Company, Limited
GENERAL CONTRACTORS
PUBLIC BUILDINGS — INDUSTRIAL PLANTS
TERMINAL GRAIN ELEVATORS—STREET PAVING
POWER DEVELOPMENTS — HIGHWAY WORK
Operating All Over Canada
Offices:
TORONTO · WINNIPEG · REGINA · VANCOUVER

SILENT GLOW
TRADE MARK REG. IN CAN. AND U.S. PAT. OFF.
AUTOMATIC OIL HEAT
MODERNIZE WITH ECONOMY — MORE HEAT PER GALLON
Oil Burners for Apartments, Factories, Hot Water or Steam Supply, Stoves, Heaters.
MACDONALD METAL PRODUCTS Co., Ltd. Waterloo, Que.
Established 1919

Protection for Private Estates
STELCO
Chain Link
FENCE
Put Stelco—the Copper Bearing heavily galvanized, chain link fence — around your property. Erected on Stelco Pipe for rust-resisting, sag-proof permanence. A Stelco Fence never needs painting nor expensive upkeep. Its first cost is its last. Made in Canada from ore to finished product. Write for booklet on home fencing. Estimates supplied without obligation.
THE STEEL COMPANY OF CANADA LIMITED
Hamilton: GArfield 1200 Toronto: ELgin 5361

MORE
WORK
....less relief!
You provide work for Canadians when you specify and demand Canadian content in all your purchases.
CANADIAN STEEL
STRENGTH SECURITY
Dominion Foundries & Steel Limited
HAMILTON, CANADA
STEEL PLATE
TIN PLATE
STEEL CASTINGS

Gypsum, Lime and Alabastine, Canada, Limited
• • • offers the architect, builder and home-owner the most complete service available in gypsum and lime products.
Offices are conveniently located as follows:
Head Office — Paris, Ontario, Canada
Montreal—905 University Tower
Toronto—701 Federal Building
Winnipeg
Vancouver—509 Richards St.

Pave for Safety, Comfort, Economy with CONCRETE
To municipal authorities and motorists, concrete is the economical lasting solution to paving problems. Concrete ends costly maintenance: makes paving budgets more productive of NEW MILEAGE. It provides a smooth, skid-retarding surface with clearly-defined edges and excellent night-time visibility. It eases driving strain, reduces fuel consumption and lessens wear and tear on tires and vehicles.
CANADA CEMENT COMPANY LIMITED
Canada Cement Company Building
Phillips Square Montreal
Sales Offices at: Montreal, Toronto, Winnipeg, Calgary
CANADA CEMENT
CONCRETE

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp must be enclosed. Address The Financial Post, 481 University Ave., Toronto.

Scarborough Twp.

Will you kindly advise me what is being done in connection with the debentures of the township of Scarborough? Is any interest being paid?

Scarborough township, Ont., defaulted on payment of debenture principal on Dec. 15, 1932. During 1934, debenture interest was reduced to a partial payment of four per cent on account, and in 1935 the township defaulted in full. The municipality is under the supervision of the Ontario Department of Municipal Affairs. Thomas Bradshaw, of North American Life Assurance Co., and J. M. Macdonnell of the National Trust Co., have been appointed finance commissioners, and are conducting a survey of the township's financial position.

While the debt of a number of the defaulted municipalities is expected to be refinanced this year, we understand that Scarborough will not be included. It is felt a better deal can be arranged by putting off refunding until the township's finances have shown signs of improvement. There does not appear to be any prospect of an early payment either of principal or of interest.

In order that debenture holders may be in a position to make effective representation with regard to any re-financing plan that may be proposed, a protective committee has been formed. The secretary of the committee is N. D. Crisp, 80 King St. W., Toronto.

Lake of the Woods

I hold some common shares of Lake of the Woods Milling Co. which I purchased at $50 a share. I am thinking of disposing of these and taking my loss. I would appreciate a report on the company's present position.

Lake of the Woods Milling Co. has a long record of high earnings. The company has been working for five years to repair heavy losses in 1930-31, and in that time has improved its working capital position nearly $2 millions. The result is that preferred dividends have been resumed, and that the common shares are now selling at about five times the lowest value of the depression period.

The export market for flour is still depressed, but the company shows a large earning power despite this handicap. If and when arrears of preferred dividends are rectified, there will be a possibility of common dividends, which were once paid at the rate of $3.20 a share. You can see, therefore, that you hold something better than a dead loser.

Champion Mortgage

I should like some information on Champion Mortgage Corp. Ltd. Is it a sound company? It has a savings certificate plan conducted on a monthly payment basis. Are these certificates a safe investment? I understand that the company has deposited $110 of investments in trust for each $100 of liabiliy to the certificate holders. The company claims to have both the provincial and federal government behind it.

Champion Mortgage Corp. sells installment deposit certificates. These constitute contracts to make regular deposits. Naturally, substantial deductions must be made from deposits in the early portion of the contract period, in order to meet expenses involved in sale of certificates and administration of the corporation's affairs. As time goes on, a larger portion of each deposit goes to the credit of the surrender value of the certificate holder.

You can see, therefore, that the cash value against which the corporation has to hold 110 per cent in investments is not very large in the early stages of operations. The company invests its funds through the Montreal Trust Co. in government and municipal bonds, and in first mortgages on residences. The company's accounts are audited monthly by chartered accountants approved by Alberta government officials.

Eventually, of course, the question of whether the installment investment is a wise one will depend upon the continued success of Champion Mortgage Corp., and the trustees, in making investments upon which it will not lose. From your viewpoint, the success will depend upon maintenance of the deposits. Companies of this kind sometimes depend for a considerable portion of their revenue upon surrenders or lapses of contracts. Since the major portion of expenses is deducted in the early part of the deposit period, the certificate holder who ceases making deposits, or who takes the cash surrender value early in the period is likely to be a loser.

It cannot be said that the company has both "provincial and federal governments behind it." There is no guarantee by the government, whatever, except that there is some measure of supervision.

Alberta Certificates

Does the Alberta Government Savings Branch operate under a Dominion charter? Can the Alberta government convert the savings certificates into perpetual stock without consent of the holders? What is the best course for me to pursue to obtain my money?

The Alberta Government Savings Branch is not operated under a Dominion bank charter, but is a branch of the government. Alberta is a sovereign power, and subject only to some constitutional violation, can apparently alter the law so as to refund your savings certificates into perpetual stock. The old saying is that a sovereign power "can do anything but change a man into a woman."

Your best course to obtain payment would be to write to the government first of all, and tell them that you are in dire need of the money. However, the chances do not seem very good. Unless the government will relent, you will not be able to collect in cash.

We regret exceedingly that we cannot give you definite advice on a method of obtaining payment. In case Alberta goes ahead with its refunding scheme, your best course would be to line up with any protective committees that may be formed for the defense of investors.

Shawinigan

Would you be good enough to let me know, in a general way, what progress has been made by Shawinigan Water and Power Co. in the last two or three years? Is the bond interest being covered?

Shawinigan Water and Power Co.'s position, both in regard to operations and earnings, has improved steadily in the last three years. At one time the company was handicapped by depressed conditions in the newsprint industry, which caused a lowering of power sales, and by the heavy premium payable on U. S. funds to meet interest charges. The premium payment has been reduced to negligible proportions, while newsprint and other industrial activities in the area served by the company are now taking a larger quantity of energy than at any time previously in the company's history. As far as the company's bonded debt is concerned, earnings are more than sufficient to take care of interest charges, together with sinking fund payments.

N. B. Telephone

Will you kindly give me some information about the New Brunswick Telephone Co.?

New Brunswick Telephone Co. owns and operates the telephone system in New Brunswick. Control of this company, or at least a substantial minority interest, is held by the Bell Telephone Co. of Canada.

Earnings of the company over a period of many years have been on a satisfactory basis, with dividends earned by a comfortable margin. Financially the company has done a great deal toward improving its position in the last few years. In the early period of the depression, the company showed an adverse net working capital position, but at the end of 1935 current assets exceeded current liabilities by $282,403.

Hamilton Bridge

Can you give me a report on Hamilton Bridge Co.? Do you think it a good speculative buy for a hold of a year or two?

An increase of nearly 100 per cent of sales enabled Hamilton Bridge Co. to reduce its deficit in 1935 by $83,345 to $91,207. During the last half of the year, the company operated at a profit. For some time past, there has been a considerable increase in the industrial business, and the company is hopeful it will be able to carry on through 1936 without further losses. As a result of the deficit and capital expenditures on the company's plant at Vancouver, working capital was substantially reduced during 1935, standing at $269,194 at the end of the year.

While the stock of Hamilton Bridge might appreciate if the company's position improves, it does not seem likely there will be substantial appreciation in the immediate future. Recovery in industrial business may be sufficient to take the company out of the red, but is not likely to result in substantial earnings. There is little prospect of recovery of the company's earnings to their fomer level without resumption of capital expenditures by the railways on such items as bridges. It does not seem probable that the railways will undertake expenditures of this nature in the near future.

Western Savings

I would appreciate a report on Western Savings and Loan Association. Are earnings of the company sufficient to enable it to continue to pay 6 per cent on its saving certificates?

Western Savings and Loan Association has liquid government securities, cash, and first mortgages on urban property more than sufficient to cover the surrender values of its certificate holders, according to statements furnished us by officials of the company. The company's accounts are inspected monthly by an auditor approved by the Manitoba Public Utilities Board.

We understand the company has had no difficulty earning the rates of interest contracted for upon its certificates. You may know that the company is not paying 6 per cent on all its certificates, but only on deposits made by some of the early purchasers. Moreover, the company only has to earn the 6 per cent on the amount that has been deposited. There is also a margin of additional earnings on the company's own capital, and payments of 6 per cent on some of the deposit contracts simply means that there will be a smaller surplus of earnings from contracts, at, say, 4½ per cent, to go to shareholders.

Algoma Steel Corp.

What is the present position of the 5 per cent bonds of Algoma Steel Corp., issued in 1912, due 1962?

The 5 per cent first and refunding mortgage bonds of Algoma Steel Corp. are exchangeable for common stock under a reorganization approved by a majority of bondholders in 1935. For each $200 of bonds, the holder is entitled to receive one share of common stock in the reorganized corporation. This gives the bondholders all the outstanding common shares.

You may recall that the company had purchase money mortgage outstanding, which was of prior rating to your bonds. In satisfaction of this purchase money mortgage, 26,390 preference shares were issued. Provision was also made in the reorganization for an issue of 5 per cent first mortgage bonds to enable the company to expand its plant and diversify production.

The reorganization has been approved by a special act of the Ontario legislation so that what you should do is exchange your bonds for new common shares. You can see that the reorganization leaves you in a position junior to the preference stock issued to holders of the prior purchase money mortgage. Also, both classes of shares are junior to the new 5 per cent first mortgage bonds which may be offered in the near future. However, there is now some chance for a recovery on your investment, because the diversification of the company's lines is enabling it to improve earnings. There is no early expectation, however, that any dividend will be paid on the common stock. The preference dividends are at 5 per cent, and are non-cumulative for five years

Calgary Power

I am interested in the bonds of the Calgary Power Co. and would like to know what the position of this company is now, especially in view of the loss of revenue from the Ottawa Valley Power Co. investment.

Calgary Power Co.'s first mortgage bonds are still well regarded as an investment medium, though the position of the company has been affected by Ontario Hydro's repudiation of the contracts held by Ottawa Valley Power. Calgary Power had invested about $2 millions in the latter concern. The loss of revenue from this source has made it necessary for Calgary Power to defer dividends on its common stock. The company's bonds are secured both as to earnings and security.

Bruck Silk Mills

Will you give me some information on Bruck Silk Mills? Have earnings been holding up and are dividends being paid out of income?

Last year Bruck Silk Mills reported a net profit of $150,312, equal to $1.20 a share. This compares with profits of $184,233 in 1934 and $156,153 in 1933. The reduction in profit last year was largely due to an 8½ per cent decrease in sales.

Dividends were increased at the first of the last fiscal year to $1.20 a share, with the result that shareholders were paid the full earnings for the year.

Steady improvement in results is reported by the president in the final quarter of the 1935 and in the current year to date.

Dunrobin Ltd.

A broker wants to sell me some shares of Dunrobin Ltd. What do you think of the company? I understand that it operates a distillery at Grimsby, Ont.

It is quite true that Dunrobin, Ltd., is operating a distillery at Grimsby, Ont. Some of its products are now being sold at the Ontario Liquor Commission stores. They are specializing on brandy, which hitherto has not been manufactured in quantities in Canada. Officers of the company express considerable optimism as to the future. Proceeds of the present offering of stock are intended to pay off current debts and estalish working capital. There is really no operating experience available in Canada by which one can gauge the prospects of this company.

The possibilities of this stock will be more apparent after results of the operations of the first year are made available.

International Pete

Can you give me a brief report on earnings and share capital of International Petroleum Corp? Can the present dividends be maintained?

International Petroleum has 14,324,088 no par value common shares and 200,000 preferred shares outstanding. It paid $2.50 a share on the common stock in 1935, and earned about $1.50 a share in the year ended June 30, 1935. Its earnings for the current year will probably be something more than that. The company enjoys an excellent liquid position, strong enough to enable it to maintain its extra dividend payments for some years. The hope of the company is that earnings will increase to such an extent that continuance of the present dividends will be justified.

Nova Scotia Power

Kindly let me have a report on Nova Scotia Light, Heat and Power. I am particularly interested in the bonds of this company.

Nova Scotia Light, Heat and Power is by far the largest public utility operator in Nova Scotia. The company provides power, gas and tramway services in the area centring on Halifax. Earning power is well stabilized and bond interest requirements have been covered on an average of twice, after depreciation and other interest, over the last 8 years.

Rackets

$800 "Samples"

AGENTS of European "supply houses" are credited as authors of a new sample racket.

Western Ontario industrial companies are reported to be the chief victims of the scheme to date. First is the arrival of a "foreign agent" representing an alleged company in Germany, France, or Holland. Calling on industrial executives, he explains his company wants to open a factory in the locality, but before doing so wishes to know how much of the company's production can be absorbed in the local area.

Then comes the sales talk, and as a rule the industrial executive explains that although the goods—such as steel pipe, plate, machinery, etc.—are used by the Canadian firm, it cannot use any quantity of the European firm's goods at the moment. The visitor's cue is then to offer samples for sale.

In one or two cases reported recently a contract was signed, but there was always a catch. One sale was for steel pipes, which on arrival were found to be billed at a cost of $800. The pipes were 16 ft. long. Another instance involved "sheets" of metal. The samples shown were two small sheets, but the sample "shipment" consisted of the same material sold by the pound in considerably larger quantities. Both Canadian companies paid the bill Other cases are on record where firms, rather than admit they had been victimized, remained silent.

The Woman Investor

A Woman of 50

ONE of The Financial Post's subscribers is a woman of 50, whose chief investment problem is, as she expresses it in a letter, "to get the best possible return from money invested and available for investment."

She holds Dominion of Canada bonds, some western provincial bonds, a smaller amount of oils and mines, with a cash balance available in the bank.

Apart from a tendency toward over-emphasis on western provincial bonds. The Financial Post's enquirer has already managed to acquire a fairly well diversified list of securities; her return on her bond holdings is substantial, and both her mines and oils are well chosen from the standpoint of possible appreciation and increasing income.

* * *

Diversification

WITH increasing difficulty in securing satisfactory returns from bond investments, she has no incentive to acquire more of these, and in the case of some of her western provincial bonds, notably those of Saskatchewan, over-concentration of funds can be remedied by purchase of some of the more attractive provincial issues, without any great loss of income, but with the important factor of greater diversification.

The woman is employed in a business institution, but she is 50 and her earning capacity will become less within a few years. She might therefore consider to advantage the purchase of a Canadian government annuity, on which the eventual return would be substantial.

She has no need for more than minor adjustments in her investment holdings, and these are sufficiently liquid to provide her with funds in case of an emergency. But annuities, which can be bought with a lump sum or by installments offer a combined savings and investment, with the maximum of safety.

* * *

For Later Years

AS THE years pass, this woman of 50 will receive increasingly large payments from an annuity.

The low returns on government bonds are not attractive for the purpose, but gradual payments into an annuity, in expectation of securing gradual repayments in a few years, allow the woman to get a reasonable rate of interest with safety, and by gradually reducing the principal as she grows older, she can continue to maintain her income at a substantial level.

Security Analysis

Hinde & Dauch Paper

Company's Position Has Shown Steady Improvement Since 1931 — Canada-U. S. Treaty Has Some Adverse Effects

A resident of California who has had Hinde & Dauch Paper Co. common stock suggested to him as a good buy asks information on the capitalization and operations.

He asks in particular whether the company's earnings are improving and whether the past earnings record is good. Other points of interest to this prospective investor are: Whether the Canada-U. S. trade agreement affects the company adversely; changes in the capital in recent years; fluctuations in market price of the stock in the 1929 stock boom and in the depression.

Hinde and Dauch Paper Co. of Canada Ltd. manufactures fibre shipping boxes, corrugated paper products, paperboard and straw paper for corrugating. It has plants at Toronto, Trenton and Montreal, the Toronto plant being the most important.

The company's outstanding capitalization at the end of 1935 consisted of $1,175,500 of 5½ per cent first mortgage bonds and 299,933 common shares of no par value. The company has no preferred stock and there are no bank loans.

Since 1931 earnings of the company have recovered remarkably and at the present time business of the company is continuing to show improvement. A tabulation of the coverage for bond interest, earnings and dividends on the common shares, and net working capital, since 1929 follows:

Hinde & Dauch Paper Co. of Canada

	Times bond interest earned after deprec.	Net profit per common share	Dividends paid per share	Net working capital
1929	3.83	$0.64	$1.00	$ 599,616
1930	1.23	.02½	....	553,872
1931	...	—1.00	....	366,172
1932	.30	....	....	401,422
1933	2.16	.28	....	587,385
1934	5.31	.80	.12½	888,600
1935	7.24	1.18	.50	1,107,192

In 1935, fixed assets were carried at $4,989,000, less depreciation reserve of $2,183,152, or net $2,806,061. This compares with 1929 figures: $4,772,135, less $817,916, or net of $3,954,219.

May Refinance Bonds

There has been no recent increase in the capitalization. The bonds were floated in 1928, and the issue totalled $1.5 millions originally. The funded debt is being reduced through operation of the sinking fund. The bonds are callable at 102½, and it is possible the company will take advantage of the current low rate of interest and refinance the bonds at a reduced rate.

The high price for the common shares was reached in 1928, and was $33 a share. In 1929, the range was a high of $25 and a low of $17. The low price for the shares during the depression was $1 a share in both 1931 and 1932. The price range of the stock in 1935 was a high of $13⅜ and a low of $10.

The Canada-United States trade agreement has had some adverse effect on Hinde and Dauch. A drawback on package goods granted to Canadian manufacturers has had the effect of reducing the protection on cartons afforded under the intermediate tariff. The change, however, does not affect all of the company's business.

Competitors Merge

A new factor in the Canadian paperboard and paper box industry in Canada is the entry of Gair Co. of Canada, a subsidiary of Robert Gair Co. Inc. of New York. It has combined the interests of a number of competitors of Hinde and Dauch under one ownership and administration. The feeling is that this is rather favorable to the paperboard industry, since there is one major competitor, instead of a number of smaller rivals. The substantial investment of the Gair Co. in Canada may lead to orderly competition, since there are fewer firms to deal with in arranging co-operation.

Those who read The Financial Post REGULARLY are the ones who benefit the most. Moreover, subscribers by mail have the added advantage of personal replies by letters to their enquiries regarding Canadian investments. It is $5 a year in Canada, the British Empire and the United States.

STOCKS LISTED AND UNLISTED BONDS

Hambly, Peaker & Trent

Members
THE TORONTO STOCK EXCHANGE

613 DOMINION BANK BUILDING
TORONTO
Elgin 3294

3½% INVESTMENT DEBENTURES

Issued in sums of $100 and upwards for terms of from 5 to 10 years. Canada Permanent debentures are a Trustee Investment.

FOUNDED 1855

CANADA PERMANENT
Mortgage Corporation
320 Bay Street, Toronto
Assets exceed $69,000,000

THE LONDON AND WESTERN TRUSTS CO. LIMITED
Established 1896
Executors, Administrators, Etc.
Offices at: London, Toronto, Windsor
Winnipeg, Vancouver.

The Shawinigan Water and Power Company

4% First Mortgage and Collateral Trust Bonds Series "F"
Due April 1, 1961

Price: At the Market, to yield over 4%

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

As all of these shares have been sold, this advertisement appears as a matter of record only.

NEW ISSUE

$750,000

Canadian Bronze Company Limited
(Incorporated under the laws of the Dominion of Canada)

5% Cumulative Redeemable Preference Stock
Par Value $100 per Share

Copies of the statutory prospectus, as filed with the Secretary of State of Canada in accordance with The Companies Act of 1934 and Amendments, available on request.

Price: $100 per Share
(*When, as, and if issued and received by us*)

Certificates are expected to be ready for delivery on May 1, 1936.

Greenshields & Co
Incorporated

H. C. Flood & Co
Limited

64

Flick your finger ...gears shift!

Shift with *both* hands on the wheel ... with the Electric Hand

COME in for a "Discovery Drive" in a Hudson or Terraplane with the Electric Hand. See what it means to shift gears at a finger flick ... smoothly and surely ... with *both* hands on the wheel and both eyes on the road.

Then let us show you FOUR MORE ways in which the Electric Hand makes driving almost magically simpler, easier and safer. Once you drive this modern way, the old fashioned gear shift lever will seem as out of date as the starting crank.

No Levers to Stumble over

Now you can enjoy a front seat ride with no gear or brake lever in the way ... with the floor *all clear*. A front seat, at last, in which *three* can *stretch* in comfort. That's another Electric Hand advantage.

At the wheel of a 1936 Hudson or Terraplane, you'll soon find many other reasons why these cars are growing so fast in popularity.

You'll discover *more* power, and *smoother* power, than you find in cars priced hundreds of dollars higher. More room, too ... in the biggest cars ever priced so low. With the newest, most advanced style of the year and many new comfort and safety features found on no other 1936 cars.

Then let us show you what others have discovered about the amazing economy and long life of Hudsons and Terraplanes. The proof is waiting ... come and see.

YOU SHIFT GEARS HERE
NO GEAR LEVER HERE
NO BRAKE LEVER HERE
FRONT FLOOR ALL CLEAR

The Electric Hand, an optional extra, is mounted conveniently under the steering wheel

PRICES BEGIN AT $906 for Terraplane De Luxe Models (88 or 100 h.p., 115-inch w.b.); $1078 for Hudson Six (93 or 100 h.p., 120-inch w.b.); $1130 for Hudson Eight (113 or 124 h.p., 120 and 127 w.b.). Prices retail at factory, Tilbury, Ont., all taxes paid, freight and license only extra.

SAVE ... WITH THE NEW HUDSON 7% PLAN ... LOW MONTHLY PAYMENTS

4AB-639

HUDSON and TERRAPLANE

Visit Your Nearest Hudson-Terraplane Dealer and Take Your "DISCOVERY DRIVE" Today

Decks Cleared For Resuming Ottawa Probes

Various Federal Enquiries Will Be Under Way By May

AFTER WHEAT PLAN

From Our Own Correspondent

OTTAWA.—With the Easter recess over, the various investigations initiated by the government will either resume activities or prepare as quickly as possible to get under way.

The anthracite coal commission, it is learned, will consist of three men but the personnel is not yet decided.

The penitentiary commission has been delayed owing to the illness of Chairman Archambault but will get under way early in May.

Still After Implement Prices

The farm implement committee enquiry is still threshing about in search of a sure scent toward lower implement prices. The manufacturers, it is understood, remain obstinate, in view of persisting losses on their operations. Preliminary surveys indicate that further tariff cuts may be effective in bringing price reductions but, in the meantime, the X-ray of the industry is likely to proceed.

An important change has occurred with respect to the wheat enquiry. The desire to make a complete and exhaustive survey of past operations has evaporated and in its place is a feeling that a royal commission to chart a new national wheat policy would be desirable. Mr. Justice Turgeon—now engaged in the rayon enquiry—is the man that many would like to see head such an enquiry. He has a distinguished record as a wheat investigator.

Interim Major Report

The rayon enquiry is believed at Ottawa to be progressing nicely. There will probably be an interim report from Mr. Turgeon for budget purposes.

Asbestos Co. May Refund

Clean Up Underlying Bonds; Sales Are Higher

From Our Own Correspondent

MONTREAL.—Further improvement in sales and possibilities of refunding underlying bonds, featured discussion of the annual general meeting of Asbestos Corp. shareholders.

Sales for the first three months of this year, according to R. W. Steel, president and managing director, have shown "a further fair improvement" over the comparative period of last year. Whether or not that improvement will continue, Mr. Steel added, "is dependent on so many factors in so many widely divided sections of the world that it is impossible to make any intelligent forecast; all that I can say is that prospects appear at present to be moderately encouraging."

It was indicated the company is considering some form of refunding operations with regard to underlying bonds which amounted to $457,879 at the end of last year. Nothing definite has yet been decided.

Shareholders were also told that the Keasby Mattison claim has been settled but the amount involved was not announced.

The agreement with the late Colonel Massie regarding issuance of shares terminated with his death.

Hail Payments Are Postponed

Saskatchewan Insurance Directors in Perplexing Situation

A court ruling at Saskatoon declaring ultra vires powers given directors to adjudicate on contested claims, has placed directors of the Saskatchewan Municipal Hail Insurance Company in an awkward postion.

Action was to be taken on unpaid contested hail claims of last year, but in view of the court ruling, directors are now in the position of not knowing whether to pay 1935 contested claims under powers supposedly vested in them by the Saskatchewan Municipal Hail Insurance Act. This phase of the act was held invalid in the Saskatoon court.

No decision has been reached by the company management regarding contested claims. An appeal to a higher court is probable.

Saga of Soy

Amazing Growth in U.S.A. Not Yet Begun In Canada

The soy bean was the fourth most important cereal crop in the United States in 1935 from the viewpoint of cash returned to farmers, says the current monthly letter of the Royal Bank.

In 1935, farmers in the United States sowed five million acres to this crop, the yield in 1935 being double that of 1934, which in turn was 50 per cent larger than in 1933.

Unknown outside the Orient thirty years ago, world imports now total 70 million bushels of soy bean feed and 150,000 tons of oil. Its uses now include milk, butter, cheese, coffee, biscuits, breakfast foods, macaroni, flour and in the industrial field, the preparation of paint, varnish, lacquer, soap, glue, linoleum and rubber substitutes.

For Canada, the Bank letter says, "The wide possibilities of this new crop have impressed the agricultural experts that they have varieties of a type suitable for Canada ready when the Canadian farmer and Canadian industry shall decide to enter on this venture on a larger scale. Two mills for the extraction of soy bean oil are in course of construction in western Ontario at the present time."

P. E. Island to Investigate Sale of Utility Securities

MONTREAL. — Legislation has been passed by the provincial legislature calling for an investigation into the sale of stock, debentures or "other securities" in Prince Edward Island by Associated Gas and Electric Co., New England Gas and Electric Assoc. and Maritime Gas and Electric Assoc.

Prince Edward Island bondholders asked for the investigation, the allegation being made that the bonds were sold "primarily on security of the local plant," but it had been found later the bonds were not a charge on the plant but on a company known as Associated Gas and Electric Co.

Dominion Coal Co. Calls Sinking Fund Bonds

From Our Own Correspondent

MONTREAL.—Dominion Coal Co. has called for redemption on May 1 next at 105 and accrued interest $275,500 par value of its five per cent first mortgage bonds, due 1940.

At the end of last year the company had outstanding $2,167,500 of these bonds. The current redemption will reduce the amount to $1,892,000.

Name Executives of McCormick's Ltd.

Nathan Cummings was elected executive vice-president of McCormick's Limited, London biscuit firm, at the recent annual meeting at London.

John W. Ross was elected vice-president in charge of production, and J. A. Chambers vice-president in charge of sales.

The company name was formerly Canada Biscuit Co.

THE STATEMENTS CONTAINED HEREIN ARE BASED UPON INFORMATION WHICH WE BELIEVE TO BE RELIABLE, BUT ARE IN NO EVENT TO BE CONSTRUED AS REPRESENTATIONS BY US.

The Bonds, Series B, and Shares referred to herein are being offered in Canada, but not in the United States of America. This advertisement is not, and under no circumstances is to be construed as, an offering of any of these issues for sale in the United States of America or the territories or possessions thereof or an offering to any resident of the United States or a solicitation therein of an offer to buy any of these issues.

NEW ISSUE

$5,000,000

Saguenay Power Company, Ltd.

(Formerly Duke-Price Power Company Limited)

(Incorporated under the Laws of the Province of Quebec)

First Mortgage 4¼% Sinking Fund Bonds, Series B

To be dated April 1, 1936 — To be due April 1, 1966

NEW ISSUE

$5,000,000

(Par Value)

Saguenay Power Company, Ltd.

(Formerly Duke-Price Power Company Limited)

(Incorporated under the Laws of the Province of Quebec)

5½% Cumulative Preferred Shares

Dividends on, redemption price of, and all other distributions will be payable in lawful money of the Dominion of Canada.

CAPITALIZATION

(Upon completion of present financing)

	Authorized	Outstanding upon completion of present financing
First Mortgage 4¼% Sinking Fund Bonds, Series A and Series B, due April 1, 1966 (new issue)	*$30,000,000	
Series A (Principal and Interest payable in lawful money of the United States)		$25,000,000
Series B (Principal and Interest payable in lawful money of Canada)		5,000,000
Serial Notes (Principal and Interest payable in lawful money of the United States) (new issue)		
2¼% Series Maturing June 15, 1937	600,000	600,000
2½% Series Maturing June 15, 1938	600,000	600,000
2¾% Series Maturing June 15, 1939	600,000	600,000
3% Series Maturing June 15, 1940	600,000	600,000
3½% Series Maturing June 15, 1941	600,000	600,000
4% Series Maturing ($400,000 in each year) June 15, 1942, to June 15, 1946, inclusive	2,000,000	2,000,000
Total Funded Debt		$35,000,000
Capital Stock: (Canadian dollars)		
5½% Cumulative Preferred Shares (Par value $100 per share, lawful money of Canada) (new issue)	$5,000,000	$5,000,000
Common Shares (without nominal or par value)	300,000 shs.	210,000 shs.

* No additional bonds of Series A or Series B may be issued but the Trust Deed provides for the issue thereunder subject to the restrictions thereof of bonds of other series, but the amount of bonds of all series at any one time outstanding and secured by such Trust Deed is limited to $75,000,000 principal amount thereof.

The $5,000,000 First Mortgage 4¼% Sinking Fund Bonds, Series B, payable in lawful money of the Dominion of Canada and the $5,000,000 5½% Cumulative Preferred Shares of Saguenay Power Company, Ltd. (par value $100 per share, lawful money of the Dominion of Canada) herein described, are to be concurrently offered with (1) $25,000,000 First Mortgage 4¼% Sinking Fund Bonds, Series A, payable in lawful money of the United States of America and (2) $5,000,000 2¼%—4% Serial Notes, due June 15, 1937, to June 15, 1946, payable in lawful money of the United States of America.

The Bonds, Series B, form part of an issue of $30,000,000 First Mortgage 4¼% Sinking Fund Bonds of which $25,000,000 are Bonds, Series A, principal and interest payable in lawful money of the United States of America and $5,000,000 are Bonds, Series B, principal and interest payable in lawful money of the Dominion of Canada. The $30,000,000 principal amount of Series A and Series B are to be secured by and issued under a Trust Deed of Hypothec, Mortgage and Pledge (hereinafter referred to as the "Trust Deed") to bear formal date as of April 1, 1936, between the Company and The Union Trust Company of Pittsburgh, Pittsburgh, Pennsylvania, as American Trustee, and National Trust Company, Limited, Montreal, Que., as Canadian Trustee. Said Trust Deed will, in the opinion of Counsel mentioned below, specifically charge the principal properties of the Company, including power plant, dams and water rights, and certain important power contracts; and will further charge such title as the Company may have to lands on or near the shores of Lake St. John or bordering on the Grand or Little Discharge of Lake St. John acquired for the protection of flooding rights or in connection with the settlement of flooding damages as to which no warranty of title will be made, and on portions of which there may exist hypothecs to an amount not exceeding $150,000.

The principal of Bonds, Series B, and the semi-annual interest thereon (April 1 and October 1) are to be payable at the Montreal office of National Trust Company, Limited, in lawful money of the Dominion of Canada. Bonds, Series B, will be issued as coupon bonds in the denomination of $1,000, registerable as to principal only, and as fully registered bonds without coupons in interchangeable denominations of $1,000 or multiples thereof.

The bonds of Series A and Series B will be of the same tenor except that the bonds of Series A are to be payable only in the United States in lawful money of the United States and the bonds of Series B are to be payable only in Canada in lawful money of the Dominion of Canada. Accordingly, the following description is applicable to both series. The bonds will not be interchangeable as between the respective series. By reason of the Series A bonds being payable only in lawful money of the United States and Series B bonds being payable only in lawful money of the Dominion of Canada, it follows that, in the event of any distribution of proceeds of the security, the relative amount of the claim of a holder of a bond of Series A as compared with that of a holder of a bond of Series B will necessarily depend on the rate of exchange at the time prevailing between the lawful money of the United States and that of Canada: accordingly, should the proceeds of a realization of the security be insufficient to pay in full the amount of the indebtedness of the Company in respect of the bonds of both Series A and Series B and should there at the time be a difference in exchange between the lawful monies of the two countries, the holder of a bond of the series payable in the money which is at a premium would receive sufficiently more of the proceeds to provide for payment to such holder of the same amount in the money in which his bond is payable as the holder of a bond of the other series would receive in the money in which his bond is payable.

The Company may at any time or from time to time, upon thirty days' published notice, at its option or for the sinking fund mentioned below, redeem the Series A and Series B bonds in whole or in part at the following percentages of the principal amount thereof, in each case with accrued interest to the date fixed for redemption:—

If redeemed:	At
On or before April 1, 1941	105%
April 2, 1941 to April 1, 1946 inclusive	104%
April 2, 1946 to April 1, 1951 inclusive	103%
April 2, 1951 to April 1, 1956 inclusive	102%
April 2, 1956 to April 1, 1961 inclusive	101%
After April 1, 1961 to maturity	100%

Upon redemption of any bonds of either Series A or Series B, a like proportionate part of the bonds of the other of said series must be redeemed at the same time (except as to be provided in the Trust Deed with respect to the redemption for sinking fund purposes of bonds of either Series, to make good any deficiency in bonds of such Series tendered for the sinking fund for that Series).

The Trust Deed will provide for a sinking fund, commencing in 1942 applicable to the retirement of bonds of Series A and Series B ratably, according to the principal amount of the bonds of each series initially issued, calculated to retire $19,100,000 aggregate principal amount of such bonds by April 1, 1965, as follows: $400,000 principal amount of bonds in each of the years 1942 to 1946 inclusive and $900,000 principal amount of bonds in each of the years 1947 to 1965 inclusive. The Trust Deed will further provide that such sinking fund requirements may be satisfied by tender by the Company to the American Trustee in the case of bonds of Series A and to the Canadian Trustee in the case of bonds of Series B on or before February 15 of each year in which the sinking fund operates, of bonds theretofore acquired by the Company, taken at their principal amount, and to the extent not so satisfied, by payment to the American Trustee or the Canadian Trustee as the case may be on said last mentioned date of a sum in cash sufficient for the redemption on April 1 next following of a principal amount of bonds equal to the difference between the principal amount of bonds tendered as aforesaid and the principal amount of bonds required to be retired in that year, at the then current redemption price.

The Trust Deed is to contain covenants on the part of the Company (a) to increase the amount of the hypothecary charge if necessary because of exchange fluctuations to secure bonds issued thereunder payable in lawful money of the United States and (b) to subject to the charge thereof after-acquired real and immoveable property.

The Company will reimburse to the holders of Series A or Series B bonds upon written application to the Company within six months of the final payment thereof, by or on behalf of such holders any personal property taxes legally assessed against such holders under the laws of the Commonwealth of Pennsylvania, not exceeding five mills upon each dollar of the principal amount or taxable value of such bonds, whichever is less.

The 5½% Cumulative Preferred Shares of this issue will be fully-paid and non-assessable; preferred as against Common Shares as to dividends and assets; carrying cumulative preferential cash dividends when and as declared by the Board of Directors at the rate of 5½% per annum, payable quarterly (1st February, May, August and November) at par at any branch in Canada (Yukon Territory excepted) of a chartered bank from time to time selected by the Board of Directors. Redeemable at the option of the Board of Directors of the Company, in whole or in part (and if a part only, then by lot or pro rata, as may be determined by the Board of Directors) on thirty days' notice at the redemption price of $105 per share plus an amount equal to all unpaid cumulative dividends accrued thereon to the date of redemption, or the Company may purchase shares to be applied in satisfaction of the Company's sinking fund obligations (hereinafter referred to).

As more fully described in the provisions affecting preferred and common shares, commencing with the year 1947 and in each calendar year thereafter within 120 days after January 1st, the Company, after payment of full dividends accrued on the Preferred Shares and after provision for payment of full dividends on the Preferred Shares for the then current dividend period, shall set aside the remaining net earnings of the Company for the preceding calendar year up to but not exceeding the sum equal to 3% of the maximum aggregate par value of Preferred Shares at any time issued and outstanding, to be used as a sinking fund for the purchase or redemption of Preferred Shares in the open market or at private sale at a price not to exceed $105 per share and accrued dividends. If unable so to purchase Preferred Shares the Company shall apply the monies remaining in the sinking fund, if $25,000 or more, in redeeming shares at not exceeding $105 per share plus unpaid cumulative dividends accrued thereon to date of redemption. The Company shall cause all Preferred Shares so purchased or redeemed to be retired in the manner provided by law and such shares shall not be reissued.

Transfer Agent—National Trust Company, Limited, Montreal, Que. and Toronto, Ont.

Registrar—Montreal Trust Company, Montreal, Que. and Toronto, Ont.

R. E. Powell, Esq., Vice-President of Saguenay Power Company, Ltd., has informed us as follows:

BUSINESS: The Company was incorporated under the name of "Duke-Price Power Company Limited" by Letters Patent of the Province of Quebec, dated July 8, 1924. By Supplementary Letters Patent, dated August 9, 1935, the name of the Company was changed to "Saguenay Power Company, Ltd."

The Company owns and operates a hydro-electric generating plant, known as the Isle Maligne Station, having an aggregate installed rated generator capacity of 385,000 kva, located on the Grand Discharge of Lake St. John in the Province of Quebec. Pursuant to the terms of a grant to the Company of water rights, the Company is obligated to make an annual payment to the Province of Quebec computed at the rate of fifty cents per horse-power year (6,534.96 kwh.) of power generated at its Isle Maligne plant in excess of 200,000 hp. years annually for a term of 50 years, commencing from the date of the grant and for subsequent periods of twenty-one years at rates to be fixed for each such subsequent period by mutual agreement, and in default of such agreement at rates fixed by proper Government authority, with a stipulated minimum payment of $15,000 per year. Substantially all of the power generated at Isle Maligne is sold under written contract, except as noted below, to seven customers, as follows:

Customer	Amount Contracted for	Date of Expiration of Contract
Aluminum Company of Canada, Limited	100,000 hp.	1977
The Shawinigan Water and Power Company	100,000 hp.	1977
Price Brothers & Company, Limited*	40,000 hp. 60,000 hp.	1977 1937
Consolidated Paper Corporation Limited	30,000 hp.	1951
Lake St. John Power & Paper Co. Ltd.	20,000 hp.	1952
Saguenay Electric Company (Subsidiary)†	10,000 hp. max.	1957
Town of St. Joseph d'Alma†	500 hp. max.	1946
Total	360,500 hp.	

* Now in Bankruptcy. The Trustee of Price Brothers & Company, Limited, bankrupt, is purchasing power from the Company under a temporary arrangement and not under the contract between the Company and Price Brothers & Company, Limited.

† Power sold to these customers is sold through Saguenay Transmission Company, Limited.

The Company is primarily an operating hydro-electric company, engaged principally in the generation, purchase and sale of electric power at wholesale, exclusively within the Province of Quebec, including in some cases, the transmission of power over the lines of one of its subsidiaries, Saguenay Transmission Company, Limited, which is wholly owned except for Directors' qualifying shares.

The Alma & Jonquiere Railway Company, a subsidiary which is wholly owned except for Directors' qualifying shares, owns and operates a railroad, connecting the Isle Maligne Power Plant with the Canadian National Railways at Saguenay Power Junction, a distance of about eleven miles.

Saguenay Electric Company, of which the Company owns 84.13% of the voting stock, is a relatively unimportant operating electric utility, serving a population of about 60,000 in some fifty-two communities and purchases some power from the Company.

PROFITS: The Consolidated Net Profits¶ of Saguenay Power Company, Ltd., and its subsidiary companies, Saguenay Transmission Company, Limited and The Alma & Jonquiere Railway Company, as reported upon by Messrs. P. S. Ross & Sons, after deducting operating and administration expenses, taxes, depreciation and the annual amortization charges effective after completion of the present financing, and giving effect to the changes in the annual requirements for interest on bonds and notes resulting from (1) the redemption of $35,269,000 First Mortgage 6% Sinking Fund Gold Bonds due May 1, 1966, to be called for redemption on July 1, 1936, at 104½% of the principal amount plus accrued interest in lawful money of the United States of America, (2) prepayment or redemption of $2,100,000 6% Gold Notes on or before May 1, 1936, in lawful money of the United States of America, (3) the issue of $30,000,000 First Mortgage 4¼% Sinking Fund Bonds, Series A and Series B, due April 1, 1966, and (4) the issue of $5,000,000 2¼%—4% Serial Notes, maturing 1937 to 1946, were as follows:

	Net Income, after deducting Operating and Administration Expenses, but before providing for Interest on Bonds and Notes, Depreciation, Income Taxes and Annual Amortization Charges	Annual requirement for Interest on Bonds and Notes to be presently issued*	Depreciation	Income Taxes on adjusted income at rates in force at December 31, 1935	Annual amortization charges effective after completion of present financing	Net profits available for dividends on Cumulative Preferred Shares†
1931	$3,773,516.94	$1,439,000.00	$656,798.31	$268,375.58	$168,656.87	$1,240,686.18
1932	3,846,502.26	1,439,000.00	659,406.34	288,487.36	168,656.87	1,290,951.69
1933	3,334,439.50‡	1,439,000.00	671,030.23	280,321.92	168,656.87	775,430.48
1934	3,818,450.25	1,439,000.00	671,437.52	273,281.92	168,656.87	1,266,073.94
1935	3,803,832.98	1,439,000.00	672,467.14	270,778.40	168,656.87	1,252,930.57

¶ Expressed in United States dollars, Canadian items converted dollar for dollar.

‡ After deducting $527,603.38 for reserve for doubtful accounts receivable. This amount being an extraordinary appropriation was dealt with in the books of the Company through surplus account.

* The interest requirement of $1,439,000 above mentioned is the maximum amount payable annually on the new First Mortgage Bonds and Serial Notes (after giving effect to the retirement of outstanding First Mortgage Bonds and Serial Notes) and under the provisions respecting these new issues the interest requirement will be reduced annually by retirements effected through sinking fund on new First Morgage Bonds and serial maturities of Serial Notes.

† The annual dividend requirements on this issue of $5,000,000 5½% Cumulative Preferred Shares amount to $275,000. $3,000,000 principal amount Serial Notes fall due $600,000 annually June 15, 1937, to June 15, 1941, inclusive, and $2,000,000 principal amount Serial Notes fall due $400,000 annually June 15, 1942, to June 15, 1946, inclusive. The Trust Deed securing the First Mortgage Bonds provides for an annual sinking fund sufficient to retire $400,000 principal amount of bonds in each of the years 1942 to 1946 inclusive and, after the due dates of the said Serial Notes, $900,000 principal amount of bonds in each of the years 1947 to 1965 inclusive.

PURPOSE OF NEW ISSUES: All of the net proceeds (estimated) of the First Mortgage 4¼% Sinking Fund Bonds Series A and Series B, Serial Notes and Preferred Shares, to be received by the Company in the amount of $38,678,845 (after deduction of expenses to be paid by the Company in the estimated amount of $271,155, but without allowance for any cost of remitting to the United States the portion of the proceeds, in the amount of $9,625,000, to be received in Canadian funds, and excluding accrued interest to be received in the estimated amount of $103,000), together with other funds of the Company in the estimated amount of $459,950, are to be used to the extent of $37,208,795 for the redemption in lawful money of the United States on July 1, 1936, of the Company's outstanding First Mortgage Six Per Cent. Sinking Fund Gold Bonds, Series A, due May 1, 1966, at 104½% of their principal amount, and accrued interest (amounting to $352,690) to the date of redemption; and to the extent of approximately $1,930,000 for the prepayment on or before May 1, 1936 of the Company's Six Per Cent. Gold Notes, Series due April 15, 1932 (extended to April 15, 1938), or to provide for the redemption of any unpaid balance of said notes, not later than July 1, 1936, at the then unpaid principal amount thereof and estimated accrued interest to the date of prepayment or redemption.

NOTE: Each of the above issues containing the word "Gold" in the title was issued prior to the passage by the Congress of the United States of Public Resolution No. 10 on June 5, 1933, which provides in part as follows: "Every obligation, heretofore or hereafter incurred, whether or not any such provision is contained therein or made with respect thereto, shall be discharged upon payment, dollar for dollar, in any coin or currency which at the time of payment is legal tender for public and private debt." Said outstanding "Gold Bonds" are in terms payable in United States gold coin, and at maturity are payable in Pittsburgh, New York or Montreal at the holder's option; but upon redemption before maturity the redemption money is required to be deposited only in Pittsburgh.

This is not an offering advertisement. The offer of the Bonds, Series B, and the 5½% Cumulative Preferred Shares is made only by means of respective offering circulars, copies of which are available from the undersigned and from which the foregoing is extracted. Such circulars offer the said issues if, as and when issued by Saguenay Power Company, Ltd. and accepted and subject to the approval of Messrs. Brown, Montgomery & McMichael, Montreal, and Messrs. Sullivan & Cromwell, New York, of all legal matters except matters pertaining to the Company's titles and franchises and the lien of the Trust Deed securing the First Mortgage Bonds, which will be passed upon by Messrs. Geoffrion & Prud'homme, Montreal.

First Mortgage 4¼% Sinking Fund Bonds, Series B

PRICE: 100 and accrued interest, yielding 4.25%

Interim bonds are expected to be ready for delivery on or about April 28, 1936.

The right is reserved to reject any or all applications, and also in any case to award a smaller amount than is applied for.

PRICE: 100 and accrued dividend, if any, per share, yielding 5.50%

Dividends on shares of this issue accrue from May 1, 1936.

Certificates are expected to be ready for delivery on or about April 28, 1936.

The right is reserved to reject any or all applications, and also in any case to award a smaller amount than is applied for.

It is the intention of the Company to make application at an early date to list its 5½% Cumulative Preferred Shares on The Montreal Stock Exchange and the Toronto Stock Exchange.

A. E. Ames & Co., Limited

The Dominion Securities Corporation, Limited

Wood, Gundy & Company, Limited

Aldred & Company, Limited

Collier, Norris & Henderson, Ltd.

McLeod, Young, Weir & Co., Limited

Nesbitt, Thomson & Company, Limited

Hanson Bros. Incorporated

McTaggart, Hannaford, Birks & Gordon, Limited

Ernest Savard, Limitée

Greenshields & Co. Inc.

R. O. Sweezey & Company, Limited

THE FINANCIAL POST

SECOND SECTION

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Housing Act Meets Snags In the West

Sluggish Real Estate Market Clouds Outlook For New Money

BLAME HIGH TAXES TOO

While loans are being made steadily throughout Eastern Canada under the Dominion Housing Act, nothing like the same activity is reported from the Western Provinces. Only a few such deals have been put through and mortgage company officials state frankly that only restricted business of the kind is anticipated until certain fundamental changes occur in the general Western picture.

Straight Business

"In so far as a 80 per cent mortgage loan is sound, this is a straight business proposition," one official told The Financial Post, "and right now we can't consider the real estate situation as very sound in most Western cities. There are some exceptions, of course, but as a rule there are still a considerable number of houses for sale or rent throughout the Prairie Provinces and British Columbia. I know of some new houses put up in the last six months in a big B. C. city and as yet they haven't been sold. In many centres, too, rentals are still considered below the actual cost of maintenance. Under such conditions how can we invest clients' money in new housing with an easy conscience? After all we are held jointly responsible with the Dominion Government. If the loan proves unsound we are faced with heavy loss."

Turn Down Applications

Even in the eastern provinces, this official admitted that the loans were not being made in the volume, some publicity would indicate. There has been a vertiable flood of applications in the larger cities following advertising by the 22 co-operating mortgage companies soliciting business under the Housing Act. But this official emphasized the fact, that a very large percentage of such applications have not been considered sound. Rentals are still low and existing real estate is still not moving fast enough in many places to justify a great deal of new building.

It is believed that the money so far made available by the Dominion Government, $10 millions, to be supplemented by another $40 millions as the 60 per cent share by the mortgage companies, is more than sufficient to cope with present demand of approved applications.

Better in East

But the plan, apparently is meeting with a much better reception in the more stable sections of Eastern Canada. Mortgage men anticipate no difficulty in accepting applications for loans in such centres as Halifax and St. John. They claim that they will have to be a little more careful in places like Montreal, Toronto and Hamilton. In the West Regina is mentioned favorably but there is reluctance to comment on the outlook in British Columbia, Alberta and Manitoba cities.

Complications

Complicating the Western situation, it is stated are:

1—Previous overbuilding.
2—High taxes.
3—Moratoria legislation.
4—Still depressed business conditions.

Theoretical Surveys

"Many housing surveys conducted in western cities show a theoretical shortage of living quarters," states one mortgage official, "but if the situation is analyzed it will be found there is still considerable property for sale or rent. The surveys usually are based on population and families of such a size. They overlook the fact that some of the statistics used are not practical and while there may be certain shortages the people living in crowded quarters or outdated houses are not in a financial position to take on fresh obligations. We can't lend money for new houses that could not be sold or rented at a profit."

High Taxes and Moratoria

High taxes are cited as a very real obstacle to new building. Investors too, are afraid of putting money into new construction when they see all around them indications of low rents and difficulties in collections.

With a large percentage of their existing loans already tied up by moratoria legislation of various sorts, many companies state they do not feel they can increase loans in the West until there is some hope of liquidating those already made. Even if these cover a different classification than those to be made under the Housing Act, they feel that they already have a sufficient percentage of their available money invested in that part of Canada.

Wheat is facts

In nearly all interviews with mortgage officials the question of wheat prices and wheat policy arises sooner or later. It is upon this crop, it is pointed out, that the real prosperity of a very large part of the West depends. In the last four or five years the wheat farmers have been having a hard time and this has affected many of the cities. Until agricultural returns in the West improve, little new real estate activity is anticipated.

Selected Risks

About the only real business in loans, housing loans at present, will be to those persons in assured positions who have indicated in the past that they are first class risks. In all of the larger centres there are people of this class and it is only to them, at least until the general picture improves, that the Dominion Housing Act, will prove of much assistance.

Canada—and the Next Five Years

Prominent Canadian Business and Professional Leaders Outline Main National Issues and Offer Solutions

THE voices of agriculture, religion and industry are heard in this week's contributions to the series, "Canada and the Next Five Years" from Prof. J. E. Lattimer, Macdonald College, Que.; Col. F. H. Deacon, Toronto; Rev. John G. Inkster, Toronto, and J. G. Ross, Montreal.

* * *

Prof. J. E. Lattimer expounds agricultural economics at Macdonald College, P.Q.—is one of Canada's leading experts on agricultural problems, whose voice is recognized both East and West.

* * *

Col. F. H. Deacon, besides heading the investment firm he founded in 1905, has just completed a two-year term as president of the Canadian National Exhibition. Internationally known as a breeder of Shorthorn cattle he is one of Canada's leading "Top-Hat" farmers; has given important public service in war, Y.M.C.A., hospital and university work.

* * *

Rev. John G. Inkster gives vigorous, forceful leadership to the Presbyterian Church in Canada from his pulpit at Knox Church, Toronto. Few people know he was a dry goods apprentice for four years in the Orkneys; that he later farmed and taught school in Ontario before entering the ministry.

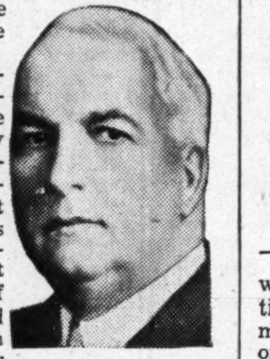
* * *

James G. Ross is a Scotch-Canadian engineer who manages the big Asbestos Corp. property at Thetford Mines, P.Q. It is his engineering genius that is credited with revolutionizing the asbestos mining industry the world over by introduction of the block caving system of mining in this field.

Agricultural Views Aired By Financier

By F. H. DEACON

I agree with much that has been said in The Post's series of articles, so instead of repeating or confirming opinions you have already received, I shall devote most of my reply to suggestions probably not likely to come from many of those whose opinions you have asked.



F. H. DEACON

As you know, I am interested mostly in manufacturing, but besides being in the financial business for nearly forty years, I have been particularly interested in agriculture during the past twenty years. My farm has been awarded championships in Shorthorn cattle at the most important fairs of Canada and the United States and it has also won prizes in both countries for exhibits of oats, wheat, alsike, alfalfa and peas. During the past twenty years four farms, which were all badly infested with weeds, have been put under one management and through intensive cultivation the quality and quantity of crops have greatly improved.

Money For Good Farmers

An increase over average farm production of ten to twelve bushels to the acre and an increase in price of five cents to fifteen cents per bushel for grain is not an unreasonable expectation for any farmer to have who energetically and intelligently undertakes the cultivation of suitable grain crops in this part of Ontario. While not quite so large a difference could be expected in Western Canada or in some other parts of Canada, the resulting increase in income from agriculture would cover millions of dollars annually and help establish a reputation for high quality grains from the Dominion of Canada.

Improve Canada's Standing

I believe the average quality of livestock in Canada could be greatly improved. I would like to see Canada earn a reputation such as Scotland has for its beef breeds, so that buyers would come from all over the world and pay several times as much for animals as is now received by Canadians. Practically no advertising is done either by the Dominion or the provinces to emphasize the high quality of various breeds of animals in Canada. Individual breeders and even breed associations can scarcely afford the expense of advertising in the Argentine, the United States and other countries, the exceptionally good examples of various breeds available here. The breeder consequently has to take a price which may be one-fifth or less of what would be paid for a similar quality of animal at the Perth sale in Scotland.

Rarely have the extremely high priced animals brought to Canada from Scotland had progeny which equalled or surpassed similar purebred animals owned by some of our most constructive and intelligent breeders. I have in mind a Shorthorn bull imported from Scotland which cost over $33,000, and one which cost $15,000 imported from the United States. Neither of these animals added much to the general improvement of the breed in Canada compared with the improvement produced through careful selection by such practical farmers as James Douglas of Caledonia.

Do Good Work—Lose Money

Unfortunately, most specialists in purebred cattle, horses and swine, lose money over a period of twenty to twenty-five years in Canada. One has only to make a list of the outstanding breeders they have known in the last forty or fifty years to realize that most of them died poor, though they did excellent constructive work in the improvement of cattle of various breeds. It is a serious condition when hard working and capable men lose their money while this could be largely overcome if more publicity were given by the government to the high quality of animals available here.

I also think the Deputy Ministers of Agriculture should receive more encouragement in developing permanent policies in animal husbandry. Ministers of Agriculture must give a good deal of their time to politics during the four or five years they are in office, whereas a Deputy Minister probably serves under different governments and should have a vision of proper objectives and a fixed policy as to how these objectives may best be obtained.

Weeds Cause Heavy Loss

I mentioned earlier in this letter the great loss from inferior quality grain. There are laws on our statute books exacting penalties where townships and individuals permit noxious weeds to grow and seed on their properties. Who ever heard of these penalties being enforced? As a result, ambitious farmers who have been careful to keep their own farms free from weeds, lose heavily through weed seeds blowing on their farms, resulting in an inferior quality and a decreased crop of grain. Neither profit nor pride can result from the farmers' labors and for this reason they change to other occupations where the same amount of effort and ability bring much greater financial returns.

A few years ago, on Press Day at the Canadian National Exhibition directors' luncheon, Mr. John Dafoe, of the Winnipeg Free Press, spoke of the serious influence on the Canadian people of the expenditure for relief, which at that time had just begun to be paid in Canada. Mr. Dafoe said that our forefathers in Canada came through periods just as difficult as those we have recently experienced and no previous government had ever made contributions to relief excepting in cases of conflagration, flood, or similar catastrophe. He said we were becoming a "soft race" and he felt that the future of the country would not be what we would wish unless a change of policy were adopted. If men work for relief their morale is not decreased as it is when no service is rendered by them. Honorable people wish to give service.

Finds Railroad Extravagance

The railway problem has been mentioned in previous letters to you. It appears wilful waste that, for example, two Toronto-Chicago trains should start at the same time and arrive at the same time when by pooling the trains the public would get equal service and there would be economy for the railways. If train service were available at other hours of the day the public would have greater convenience. The modernization of railway service by air conditioning has made travel exceptionally comfortable. Instead of feeling tired after a day's journey, the traveller feels quite as rested as at home because of the fresh air and freedom from dust. As an example of wastefulness, I came from Chicago to Toronto last summer on a Pullman coach when I was the only passenger during the whole trip. Fortunately this is exceptional, and there has been a vast increase in the amount of travel because of the improvement in service railways are rendering.

The Canadian Pacific and the Grand Trunk Railways in former days gave poor service where there was no competition. This has meant that the public now fears centralization under one management. Conditions have changed, however, and the public need have no fear that they will now suffer conditions such as existed twenty-five to forty years ago, particularly in Western Canada. The Railway Commission will give prompt hearing to unfair treatment and the private motor car and private truck give the railways competition which results in an effort by them to please all possible customers. It seems most unfair that the Canadian Pacific Railway Company should be heavily taxed to help pay losses incurred by a competing railway and to help pay for the construction of permanent roadways where trucks and buses have low-cost transportation because of capital expenditure made and maintained through taxes charged the Canadian Pacific Railway.

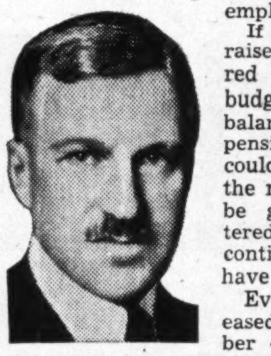
* * *

More Jobs to Come When Taxes are Cut

By J. G. ROSS

Might not Canada's five chief problems be summed in one—taxation, amount and incidence?

Relief from excessive taxation would tend to lower the cost of goods and services and increase employment.



J. G. ROSS

If the money could not be raised by taxation, or deferred taxation — borrowing, budgets would have to be balanced and the many expensive governing bodies could not exist. Similarly, the railways would have to be grouped and administered in such a way that a continual deficit would not have to be met.

Even if taxation were eased so that a larger number of workmen could be absorbed into their customary occupations, absolutely necessary governmental functions would have to be paid for and outstanding debts provided for. Let such taxation be fair and properly enforced.

First, get as many people as possible working at some rate of pay, and adopt only such new ideas on social service as have been found advantageous in other countries similarly situated, and as can be afforded. Reduce expenditures in experiments by governments.

Points to U. S. Survey

The following statements, said to be by authorities, are probably approximately correct.

1. A survey in the State of Utah reported that 10 men were directly engaged in industry, and four on farms to support one miner, 40 per cent of the population were engaged in mining and half the population indirectly live on mining.

2. It takes in Canada 10 men in industry to supply one farmer.

These being admitted, it follows that any relief in taxation on farming and mining will immediately benefit all others. Such relief will be reflected in the lower prices at which the products of the farm and mine will be made available, and may compete in world markets. Other industries based on natural resources may be in a similar position.

Put Money in Productive Works

Taxing at the source, as on a mining company, may prohibit a company from enlarging its activities or from working low grade ore, thus curtailing the possibility of employing more men.

As, even with freer trade between countries, the taking up of the slack in employment will be slow, would it not be well to spend the necessary relief money on such productive work as opening up roads to new mining camps or improving transportation from the farms.

One problem industry will have to face in increasing its working forces, is that in taking on young men who have been on relief, discipline will be poor, efficiency low, and the accident hazard high.

Would Train Young Like Soldiers

The lowest cost form of relief would be general service for all young men under discipline similar to that of the army, where the rudiments of trades might be taught; leaving the jobs to the older men, while opportunities for such are restricted.

It was stated by an authority that for each dollar spent in relief, seven or eight dollars must be raised in taxes.

Would it not be a simple and comparatively inexpensive method of reducing the number of unemployed if a reduction in taxation in some proportion were granted to employers for each man added to the payroll of a company or given work by an individual?

Relief from excessive taxation and restrictions would allow industry to replace obsolete equipment and employ more men. Transportation would gain from freer exchange of goods. This would assist the improvement already showing in some of the industries of the country.

* * *

Religious Apathy Breeding Pagans

By REV. JOHN G. INKSTER

It is hard to say what are the five chief problems and harder to list them in the approximate order of their importance—

However, as I see things, these are five chief problems, of Canada:

1. UNEMPLOYMENT.

J. G. INKSTER

How to solve this problem is beyond me. Mr. Bennett is reported as saying something like this: "A change of heart in the individual is what is necessary." I believe, no problem can be solved until the individual solves the problem of sin. This is primary and fundamental.

The growth of great cities tends to create these problems and, as James Bryce said of America (a thing which could be said of all countries): "She has failed in the government of her great cities. If she governed her cities properly she would solve the problem of unemployment.

Here are some little ways that would help.

(a) Keep the streets clean and accessible. The streets of our great cities in Canada in winter are a menace and a disgrace. A great many of the unemployed men could be profitably employed at this work. So also in the case of our public parks and playgrounds—places for recreation and amusement for the people—especially the young people.

Many Unemployable

(b) Again as the late John Burns, M.P., in England said: "We must recognize there are many men and women, unemployable." Provision must be made for them in our great cities.

(c) Again the hours of labor should be curtailed. Time should be provided and the people should be instructed how to rest and recreate the body and refresh the soul and spirit of man.

(d) Again while we can not very well get the people back on the land, we must make it more possible for the people to **stay** on the land. The prices of implements, the high wages, the exorbitant taxes, are combining to make it impossible for the farmer to continue on the farm. Then also there is a great leakage, or lack of direct contact between the producer and consumer, making it impossible for the farmer to produce and live.

"Get That Man" Oliver

2. TRANSPORTATION.

The railways must be given to realize that they must spend more brains and money in getting freight and passengers and not so much money on engines, rolling stock, road beds and stations, steamboats and hotels. In other words the cost of carrying freight and passengers must both be reduced and made more expeditious.

Railwaymen must waken up to the fact that the truck and bus are stealing their trade. I would suggest that they read and study—as they are doing now I understand—a survey that E. W. Oliver has made, directed by that great railroad man—Sir Henry Thornton; and get that man Oliver back here from the States.

I would suggest that the amalgamation of the two great roads be re-opened and thoroughly considered apart from politics.

Living Like Millionaires

3. PUBLIC DEBT AND TAXES.

The beginning of the solution of this problem lies in beginning at once to stop this reckless and insane expenditure on public buildings and so forth. When we see the magnificent public utilities of our Dominion, one would think we were all millionaires, whereas we are on the verge of bankruptcy as a Dominion. We simply cannot afford either to create or maintain the monstrous institutions which we have created, not with our heads and hearts, but with our hands and feet.

Too Much Government

4. COST OF GOVERNMENT.

We have no need of nine provincial legislatures. We have no need of such expensive and luxurious buildings and offices. The machinery of government is far too elaborate. Then take these useless commissions which are created. They add to the cost of government and taxes.

In a very real sense it is not any or all of these things which are the chief problem. The possibility of bankruptcy is our major problem, which now is threatening municipal, provincial and Dominion governments.

God Being Shoved Aside

5. RELIGIOUS APATHY.

Canada is rapidly becoming pagan, vulgar paganism is at our door. The home, the church and the school (the three great pillars of society) as far as religion is concerned, are tottering to a fall. God's Day, God's House, God's Word, God's Spirit, God's Son are being openly neglected, denied and repudiated.

Of course men and women in business and society are saying the stress and strain are such that men and women have neither the energy nor the desire for these things. There is some reason in this. But the awful result remains—God is crowded out and man reverts to the beast.

That is the great fundamental problem—Are we to worship the beast or God. "Ye cannot serve God and Mammon,"—which is it to be?

* * *

Farm Conditions Root of Trouble

By J. E. LATTIMER

National stock-taking at this season of the year is a common custom. This particular season has proved no exception to the general rule. Among the numerous discussions unanimity of opinion prevails on at least two points, namely that several serious national problems press for a solution and that these problems include—

J. E. LATTIMER

1. National credit.
2. Unbalanced budgets.
3. Transportation.
4. Unemployment and Relief.
5. Agriculture.

Inter-relation of Problems

Few discussions leave agriculture entirely off the list. Yet so seldom has the position of agriculture in the national economy been discussed in detail that further treatment of this point is warranted. Another reason why agriculture should be treated in some detail is that the problems enumerated are inter-dependent. The major cause of the persistence of depression and unemployment is the discrepancy which has prevailed for six years and still prevails between the prices of farm products and the prices of some other goods resulting in the low purchasing power of farmers in general. Hence it is almost correct to say that instead of five major problems there is only one out of which the other four emerge.

Depressions do not cause unemployment. It is unemployment which causes depressions. This is bound to occur in an era of specialization. Production by specialists increases volume in the aggregate but necessitates a price relationship allowing goods to be exchanged in such quantities that employment is general. The price relationship of farm products and other goods was in closer relationship in 1929 than it has been since. And it has been claimed that 1929 was a prosperous year.

Discrepancy in Prices

When farming is prosperous employment is more regular, relief less exacting, trade more brisk, freight volume greater, budgets balanced more easily and the national credit more secure. This is the way that the other four problems emerge from the chief difficulty—the discrepancy in prices.

It is not contended that if agriculture was prosperous all perplexing problems would vanish. Such is by no means the case. There are industries, such as mining and the motor industry, doing fairly well without the prosperity of agriculture. These industries are helped indirectly by abundance of cheap food. Other industries dependent on farm products for raw materials may have reaped a temporary direct benefit from the low prices of farm products. There are other industries more directly dependent on the purchasing power of the farming business that are suffering for lack of employment. The advantage of cheap food may be temporary if secured only at the expense of a lack of purchasing power of the farming industry.

The contention here is that the lack of purchasing power of farmers is the major factor contributing to the unemployment prevailing, the amount of relief required, the small volume of trade and freight provided, the difficulty of balancing budgets, and the weakness of credit generally.

National Alternatives

There are two ways to bring the prices of farm products and other goods more closely in line with one another. One way is to raise the price of farm products to the level prevailing for other things. This popular method might be feasible for a country on an import basis for such products or for a country on an export basis willing to sacrifice some portion of the export market. If such a policy is pursued by a debtor nation then greater dependence must be placed on other goods to meet international commitments.

The other way to bring prices into greater harmony is by a reduction of the prices of those goods now on the higher level in order to lower the cost of production of farm products and thus enable these goods to compete in the export market. This might be done without lowering the real income of providers of such goods as the loss in rate of wages or price of product might be made up by increased volume of employment and business with the standard of living generally raised.

Lower Mode of Living

This problem is not confined to agriculture. It is a national problem. Farmers can and will when compelled devote more attention to subsistence farming when prices are too low to allow exchange to take place. They moved quite a distance in this direction during the past six years, with results reflected in unemployment, relief requirements, reduced volume of trade and freight and unbalanced budgets. It is really too bad to be compelled to return to a mode of living that it took centuries to get away from, simply because we cannot agree on effective prices—prices that are effective in clearing the market and keeping labor employed .

Subsistence farming may not be pursued very far in Canada at best. The climate is against it. The agricultural resources of the country promote specialization largely dependent on trade and exchange of goods. The limited degree to which subsistence farming is possible offers no effective appeal to the unemployed to return to the land and poor prospects of increased trade, reduced relief and balanced budgets.

On the other hand, bringing prices of all goods into greater harmony by reducing the prices of those things now on the higher level more nearly in line with farm products might lower production costs of such goods and enable them to compete in world markets, increase employment, trade and traffic, reduce relief, raise the standard of living generally.

Bond Default Press Opinion Differs Widely

Section of British Papers Misunderstands Alta. Default

ENDORSE DUNNING

Comment in the United States and British press on the Alberta default indicates two distinct viewpoints. In some quarters it is felt that the Dominion government could do little else in view of Alberta's refusal to adhere to a loan council scheme. A section of the British press, on the other hand, is of the opinion that drastic action should be taken by the federal government to correct the default, which indicates a misunderstanding of the situation.

The London Daily Herald says, "it would be a pity if the new Canadian government were to allow even a temporary default of the province of Alberta to pass without official notice. It is now some days since the Aberhart regime put up the shutters in connection with certain loan interest payments and so far there has been no official pledge that the bondholders' interests will be safeguarded by the federal authority."

The Financial News in describing the default as "a serious sign of the insecurity of the Canadian debt structure," says it is difficult to see in what direction Premier Aberhart can now look for succor.

"But it is necessary that his proposal to wreck Alberta's credit should be sternly resisted," The Financial News continues. "It remains to be seen whether the federal government will take the drastic step of intervening under the British North America Act, but clearly some way should be found to prevent this weakening of Canada's credit."

The Daily Telegraph takes the view "the federal government cannot act too quickly to save the financial reputation of the Dominion."

Misunderstand Situation

Just what action these London newspapers would suggest is difficult to say. They appear to overlook that Alberta had the opportunity of a way out by submitting to a loan council scheme. It is generally conceded by financial experts that the Dominion could not continue to give money to the western provinces unless it had some control over the future financial operations of the provinces involved. In refusing to make a loan without some supervision over the province, the Dominion government was merely protecting its own credit.

At the present time there is little the Dominion government can do. It could disallow the Alberta refunding legislation but this would be useless unless it was willing to make loans without supervision.

Morning Post's Views

The Morning Post takes a more sensible view when it states, "it is not surprising the federal government should have been slow to assist Alberta save on conditions apparently unacceptable to the province, for the federal government probably for some time has been fully conscious of the extent to which Canadian credit is being adversely affect by the conduct of finance in some provinces."

"The effect of these developments," the Morning Post continues, "is more unfortunate, indeed more serious, by reason of the problems with which the federal government itself is confronted. Of the general integrity of the Canadian government, its desire to keep faith in regard to all obligations and if possible to bring about better things with regard to finances of the provinces, no doubt is felt."

Endorses Action of Dominion

The Stock Exchange Gazette endorses the action of the federal government, commenting as follows: "There may be some who will criticize the Dominion government for permitting this first default by a Canadian province, but Mr. Dunning, the minister of finance, could do little else. Alberta was afforded the opportunity of joining the proposed loan council, and thus receiving the benefit of a Dominion government guarantee of its future issues, which would have ensured success, but refused to relinquish any part of its financial sovereignty. The Dominion government could obviously not continue as the milch cow of any province that found itself in difficulties, without at least some measure of control over provincial finances. The Alberta default will have served some useful purpose if, as seems probable, it brings the whole subject of provincial debts to a head."

The New York Times takes much the same view, pointing out that "the Dominion could not lend indefinitely to the western provinces without control or condition."

Ottawa's Financial Integrity

The Commercial and Financial Chronicle of New York says, "Alberta authorities, unfortunately, seem determined to violate not only economic theory through application of the untried Social Credit principles, but also ordinary financial canons through forced conversion of provincial indebtedness."

It has, however, a high regard for the Dominion government, expressing the opinion that "the authorities at Ottawa have the highest possible sense of financial integrity." The hope is expressed the government will be able to persuade Alberta to join in the loan council scheme and redeem its pledges.

Vancouver and Trams Make New Agreement

From Our Own Correspondent

VANCOUVER.—Car fares charged in Vancouver by the B. C. Electric Railway will remain unchanged during the next three years, it was decided after prolonged negotiations between the city council and officials of the company. The present rate is seven cents for cash fare and four tickets for twenty-five cents.

Adventures in No Man's Land

Elizabeth Arden Builds Up Huge World Business in Cosmetics—Former Torontonian Won't Talk Dollars — Enamored of Health and Beauty

By WELLINGTON JEFFERS

Elizabeth Arden, a former Torontonian who has made good in selling beauty preparations to the tune of millions of dollars from her headquarters in New York City, was back in Canada last week to open a new salon for the Robert Simpson Co. Large advertisements in Toronto dailies heralded her coming. The daily press carried many interviews with the amazing head of this flourishing business, and many thousands of women pressed into Simpson's store during the three days of her Toronto visit to hear her talk and see her demonstrate. It was a triumph in her home city, a triumph that is already old to her in the great capitals of the world.

How did she do it?

Her extraordinary vitality, her slender and active figure and piquant face suggest it could not have been so very very long ago that she left Toronto for Gotham with apparently only her face and personality as her fortune. Yet today Elizabeth Arden agencies are in 79 countries. In the United States only the Singer Sewing Machine Co. also headed by a former Canadian, has more agencies abroad than Elizabeth Arden.

In Harems and Palaces

Go to the top of the Alps, and her advertisements or her products will be found to have preceded the climber. Camels carry cosmetics of her company to the harems that still feature the communities that fringe the Sahara desert, and into the interiors and coast ports of Arabia and Persia. Her missionaries have carried and carry the good word of "a better way" to beauty and charm to countries like China and Egypt, whose women have already used cosmetics for 4,000 years. Women in India and Indo-China show Elizabeth Arden agencies that there are no boundaries the world over when beauty is the quest. Queens are among her customers, the wives of some of Herr Hitler's ministers in Germany are her clients, and Russia's first prohibition of cosmetics has had to give way before the unanimous desire of her women to have all the accessories of attractive womanhood.

Won't Talk Dollars

So that other Canadian women might know how all this came about The Financial Post interviewed Miss Arden. And here was encountered a strange thing at the outset. She wouldn't talk money, didn't talk money, and possibly couldn't talk money. Simply "not interested." If she were asked to talk about figures she would probably start talking of slimming exercises. And this is a woman whose business advance during the depression is a world marvel.

And it is not a pose. She employs more than 1,000 people, but members of her entourage say her accountants despair of ever getting her to study a balance sheet. "Not interested again."

One thing she is interested in: yesterday's sales. She does not even enquire what yesterday's or today's bank balance is. She knows it is on the right side because she has never borrowed a dollar and will not. But she is passionately interested in having more sales. She wants more people to be using Elizabeth Arden products from day to day. She gets far more "kick" out of romantic journeys of her missionaries into strange places in Africa, Asia or Europe than out of long lists of receivables or inventories. She loves the business and is reported to have turned down an offer of $10 millions for it.

Is a Smart Woman

One secret of Elizabeth Arden's success was discovered by Lady Margot Asquith in the London salon. A British girl, flustered at having such an illustrious lady to work on, did a worse job than she would ordinarily do. Lady Asquith, outspoken as always, said, "This won't do. This isn't what I want at all."

Elizabeth Arden, passing, heard the remark and said, "Let me attend to this."

"Exactly what I want," said Lady Asquith a little later, "What is your name?"

"I am Elizabeth Arden."

"No wonder you are such a success," commented Lady Asquith, "You are smart."

Miss Arden is undoubtedly smart. Her hands at massage and her eye for results were her fortune at first. More than Lady Asquith reported the hands had genius in them. She knows exactly what to do with them. They are just as expressive in conversation. Thought, voice and gesture so perfectly accord that in conversation and in demonstration to thousands of ladies in many cities she creates the curious effect that an incident or a scene is visualizing itself before her as she talks. And those who listen can almost see it as well.

"Local Girl Makes Good"

ELIZABETH ARDEN

First business success was in Toronto as assistant to dentist. She doubled his practice in year by writing brilliant reminder letters warning clients of dire effects on their teeth of irregular visits. Bookkeeper and stenographer for 10 days with E. R. Squibb & Sons, chemical manufacturers, and then started 20 years ago in small way for herself.

Miss Arden would not change her business lot with anybody. She has a strong sense of humor, is gay and witty. She can act quickly and does on important matters. But she only finds people asses who find her salon or work occasion for frivolous comment. It is like jesting at religion.

She is an early riser. She is awake at 6 a.m. and is always at her office or away on other affairs by 8 a.m. She did it in Toronto. She does it everywhere. She takes trains and aeroplanes in the same easy way that others do motor cars. On a transcontinental trip recently she slept through a hurricane but was the only one on the aeroplane to do so. She tells all her clients not to worry and she shows them the way not to do it.

Her Success Succeeds

But with all her pagan love of beauty and her refusal to talk or think about anything in which she is not interested, even money, Elizabeth Arden worships success, her own and other people's. She has built her business on that. It is a part of the cult of health and beauty. Recently she was asked why she took a man from another firm at a very high salary when she might have picked someone from among many good unemployed men for less money. She responded that she hated anything that had even the slightest suggestion of failure. She would pay the price but she wanted only successful men and women in her employ. Obviously an unemployed man was not, at the moment at least, a successful man.

Once, long ago, she had appendicitis. She had the nurse write on a large white card the words, "Nothing suceeds like success," and she turned those words over and over in her mind during her whole convalescence. That experience colored and determined her whole life and business conduct.

Named From the Sky

She was not born Elizabeth Arden. It is her business name and she loves it. She wanted to make it famous and she has done so. "It just came out of the sky," she answered when The Financial Post asked her the genesis of the name. Her name is Mrs. Florence Nightingale Graham Lewis and in Toronto in earlier days she was Florence Nightingale Graham. But Elizabeth Arden is her "real' 'name and it suggests her.

Millions of people know her as Elizabeth Arden and, outside of Canada, only a few intimates here and there ever think of her by her girlhood name of Graham. Her ancestry was, of course, important and diverse. Her mother was a Cornish woman and her father came from Edinburgh. She was born in Emery, Ontario, and she was named by parents who thought Florence Nightingale the greatest Englishwoman. That parental enthusiasm eventually caused her to enter a hospital in Toronto.

But that was a mistake. The lover of life, movement, health, beauty, was too full of vitality, energy and ambition for a hospital. She soon found she could not be satisfied among the sick and suffering. She was clear-sighted enough to see that many of the people in hospitals need not have been there if they had lived properly.

"I wanted to shake them rather than smooth their fevered brows," she confessed laughingly to The Financial Post. "So many of them were there, I could not help feeling, because of their own stupidity. I still have the feeling that it is stupid to be sick. My own experience with appendicitis so many years ago I felt was due to unintelligent living in some way. I felt it was ever so much more important to help people keep well."

Giving up the nursing profession she went to New York as bookkeeper and stenographer for ten days at E. R. Squibb and Sons, chemical manufacturers. Here she became acquainted with Eleanor Adair, a beauty specialist. Then came months during which the two gave beauty treatments all day and packed face cream during the night. Then she started her own business.

Works With Doctors

"Granted that you make countless women look better and therefore feel better mentally, in what way does it lessen the trek to the hospital?" she was asked, reverting to her Toronto life.

"We came into this business from the health side. You have a health club for men in Toronto. We have been trying to do something of the same sort of thing for women. From the first I have realized what an important thing health is as an ingredient of beauty. Exercises and diets have been a very important part of my business and are increasingly so. Before any woman undertakes one of these she must have a certificate from her own doctor or one of ours if she prefers. They are scientifically prepared.

"Our slimming exercises and diets are not weakening. If in individual cases they do not assist in having good rich red blood reach all parts of the body all the time, they would not be recommended.

"We have 200 products. No Elizabeth Arden product is advertised as a cure-all. The whole strength of this business is that each one has been carefully designed for a specific purpose. Not one is harmful. Each one could be eaten with perfect safety except perhaps a bleach cream and that is not dangerous. Most of them are distinctly beneficial even when designed only for ornamental purposes.

"In the past many cosmetic preparations offered on the market were harmful to the skin or to the health. You will find no denatured alcohol in any of our preparations, for instance. If every harmful product is eventually eliminated from the cosmetic industry, don't you think that is in itself a great advance? And by covering the whole field we are doing a health service.

Rents are High

"That is only the negative side of the work. It is the positive benefit of the exercises, diets, massage, lotions, creams and other preparations both on health and beauty that we are proudest of."

"I read some criticism that the preparations of yourselves and some others are very expensive," said The Financial Post.

"Not so expensive as you might think," was the reply. "Our products are so specialized that much smaller quantities are used for special purposes than creams that are advertised as of general utility. It is not really so expensive. The slimming exercises are not expensive when taken in groups. Some of the critics do not realize that if we got all the ingredients for our products for nothing the price would not change materially. In New York City and elsewhere we have to pay very high rents for favored sites. We cannot do business any other way. Rents are possibly the largest element in the prices charged. And the criticism is unintelligent as well because it is not realized how much of the work depends on special attention to different personalities and needs."

Pays for Quality

"But the ingredients of Elizabeth Arden preparations are expensive," broke in David Gibson, vice-president of Simpson's, Ltd., who had been an attentive listener to the conversation. "I have talked with a number of manufacturers who supply ingredients for the preparations, and they all say that Elizabeth Arden pays the most because she demands the highest quality."

Miss Arden is impatient with jokers and others who ask her if men should use make up.

"Of course men should not think of such things. They should suggest capacity for accomplishment. They should be weather-beaten, strong, and look like men who are healthy, and do things. The hero-type is still the ideal for men and should be.

Advice to Young Women

"The more heroish the better," she added, whimsically coining a word. "I think Canadian men are wonderful. The women will have to work hard to keep up with them. And it is our job to help them do it. And do not think a woman is on the wrong track when she tries to make the most of herself. The psychological effect is tremendous. So often I have seen it. A woman finds out how to make the most of her appearance. Then she improves her voice, her inflection, her intonation. Her manner improves. She finds that conversation is an art. Her intellectual interests broaden and if they do not she is missing the boat. She must learn that to be beautiful she must not worry or be fretful. It is often the beginning of philosophy. We do feel that every woman who is intelligent can be and should be charming. The most worth-while beauty comes from within but it plays on the surface. The skin and the figure must show it. And all this teaches her where to stop in the use of cosmetics. Just enough—and oh, how much it is. A little more—and oh, what worlds away."

A fitting end is her answer to a question asking what advice she would give to other young Canadian women starting out full of ardor and ambition to make a career. "Tell them," she replied, "to find out what they like best and can do best and then to give it the very best that is in them. If they keep that up the opportunity will come sooner or later. They must believe it will."

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For Centuries THE MARK OF THE GENTLEMAN

Presenting
The New Spring Fabrics

We know you will be impressed with them and we know too, that you will be delighted with the way Levy Bros. can attend to your requirements.

We invite your inspection.

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When your letterhead is of Earnscliffe Linen Bond, you have a representative worthy of your organization at the conference which may decide where the business goes. Made of clean new rags and selected pulp, Earnscliffe Linen Bond has the appearance . . . the feel . . . the inspiring crackle that speak of quality. Specify Earnscliffe Linen Bond to your printer.

Made in white and eight business-like colours

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COMPANY LIMITED
HIGH GRADE PAPER MAKERS SINCE 1882
MONTREAL
BRANCH OFFICE: TORONTO, ONT. MILLS AT ST. JEROME AND MONT ROLLAND, QUE.

EARNSCLIFFE LINEN BOND

1832 1936

An Invitation

EXECUTIVES of sound businesses are invited to discuss their banking problems with this century-old Bank. Our broad experience, ample resources and world-wide facilities are available to those seeking a banking connection.

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World-wide facilities in every department of banking

•

The BANK of NOVA SCOTIA
OVER A CENTURY OF BANKING SERVICE

Coast to Coast in Canada

•

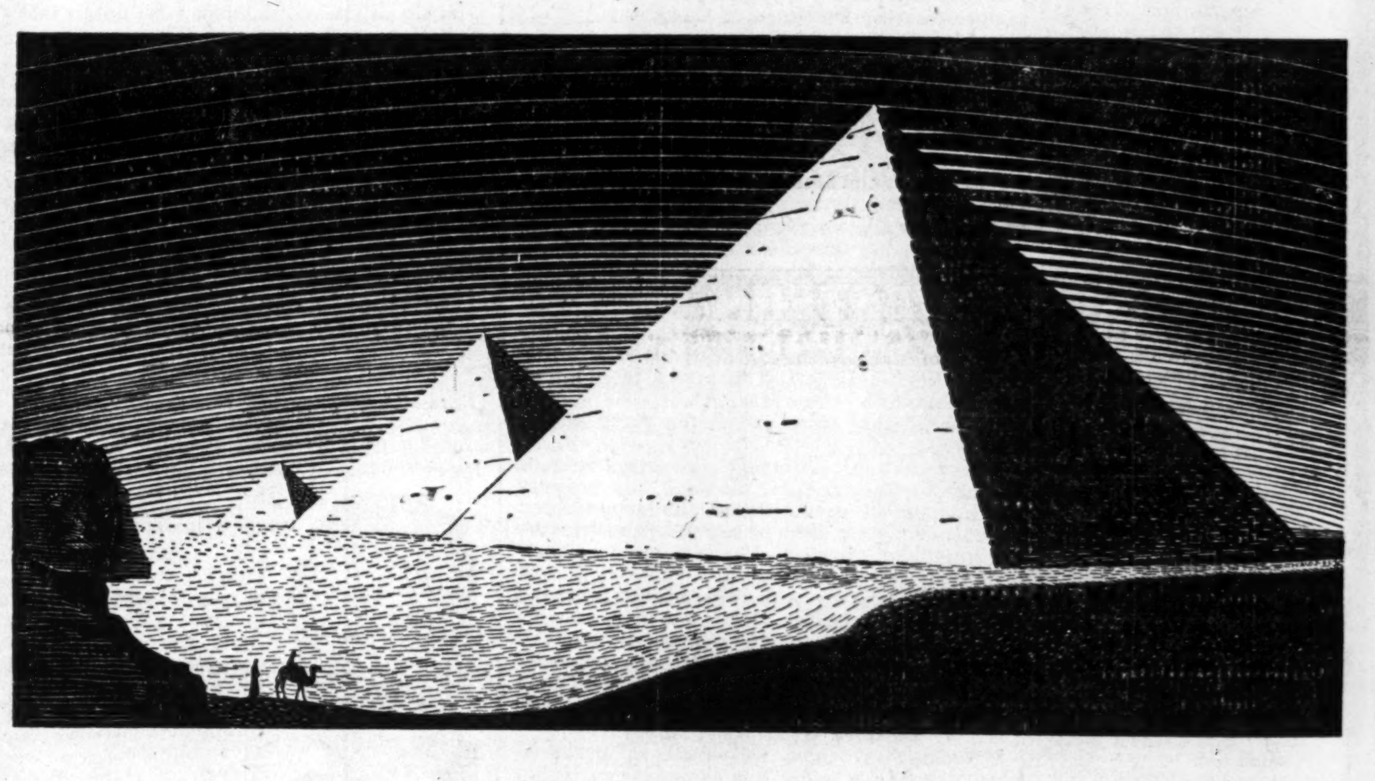
NEWFOUNDLAND,
JAMAICA,
CUBA,
PUERTO RICO,
DOMINICAN REPUBLIC

•

NEW YORK
CHICAGO,
BOSTON,
LONDON, ENGLAND

36-32

Those who read The Financial Post REGULARLY are the ones who benefit the most. Moreover, subscribers by mail have the added advantage of personal replies by letter to their enquiries regarding Canadian investments. It is $5 a year in Canada, the British Empire and the United States.



A QUESTION OF PYRAMIDS

EVERY MANUFACTURER is aware of the fact that every community has its wealthy, its middle class and its poor. There is no dead level of purchasing power. Each community forms a pyramid. At the top of this pyramid are the people of high incomes; below these are the moderately rich; and so we go down the pyramid until we reach its base which represents those with incomes which barely provide existence.

You'll find very few magazine readers at the base of the pyramid. The circulation of magazines starts at the top and works downward. It reaches the most active purchasing markets of Canada—it goes direct to the class of people with the intelligence to appreciate good products and with the financial ability to back their appreciation by buying action.

Because magazines are so selective as to income classes they are the logical advertising medium for manufacturers who wish to promote sales.

Magazines surround every advertising message with an atmosphere of prestige that impels confidence. Because of their modern facilities of typography and make-up they invest that message with appeal and distinction. And when magazines have accomplished all this they give the manufacturer's message, more truly than any other medium, *national coverage*—carry its selling power into thousands of well-to-do city and suburban homes where live people whose proven purchasing power and responsiveness to sound advertising have brought expansion and national distribution to hundreds of organizations.

The world's most famous trademarks became known to the public through magazines. And the manufacturers of these famous products today use magazines as the backbone of their merchandising efforts!

Maclean's Magazine • Chatelaine • Canadian Magazine
Canadian Home Journal • National Home Monthly
PROVIDE A NATIONAL COVERAGE ACROSS CANADA

Metropolitan Leads in 1935

Places Largest Volume of Industrial Business in Canada

Metropolitan Life increased its leadership as the largest underwriter of industrial insurance in Canada by writing $58.3 millions of this type of business in 1935, according to official figures issued by the federal insurance department recently.

London Life ranked second with almost $42 millions. Prudential of America wrote $33.8 millions. Metropolitan Life was the only company to show increased writings in the Canadian field in 1935.

Total industrial business in force for all companies rose from $809 millions at the end of 1934 to $824 millions at the end of 1935.

Comparative figures for individual companies, follow:

INDUSTRIAL BUSINESS
(Federal Insurance Dept. Figures)

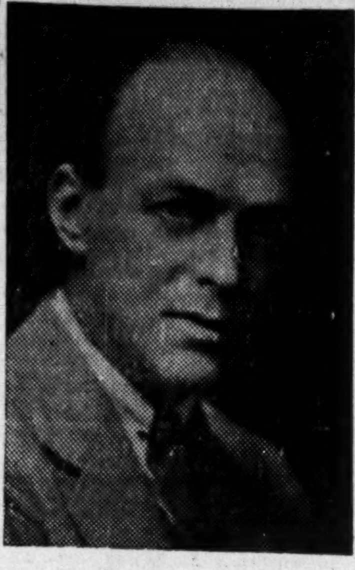
Insurance Paid For in Canada

	1935 $	1934 $
London	41,785,777	49,939,813
Metropolitan	58,300,991	54,079,408
Mutual & Citizen	4,686,803	5,689,731
Prud. of Amer.	33,813,343	44,191,478
Royal Guardians	167,182	217,009
Ancient Order of Foresters	1,526,154	......
	140,280,250	144,031,679

Insurance in Force in Canada

	1935 $	1934 $
London	169,987,084	163,873,603
Metropolitan	380,046,360	372,836,553
Mutual & Citizens	16,995,430	17,011,952
Prud. of Amer.	253,774,699	255,158,978
Royal Guardians	577,068	584,960
Ancient Order of Foresters	2,716,588	......
Excelsior	6,274	6,430
	824,083,503	809,472,477

Heads Phoenix



LEONARD WEIGHTMAN

Who has been appointed manager for Canada of the Phoenix Assurance Co. group to succeed George Weir, who retires after 28 years service with the company.

Stanstead & Sherbrooke Mark 100th Anniversary

Stanstead & Sherbrooke Fire Insurance Company, one of the oldest mutual fire insurance concerns in the Dominion, has entered the 101st year of its existence.

Publication of a history of the company in book form, for commemorative purposes, reveals the company was one of the first to take advantage of the statute of William IV in 1835, which authorized establishment of mutual fire companies.

Expansion of operations took place in 1927, when Shaw & Begg Ltd., of Toronto, became Ontario managers of the company. Operations this year have been extended to British Columbia.

Shaw and Begg Office Opened in Kitchener

Shaw and Begg Ltd., insurance managers, have opened a claims and service office in Kitchener. Claims in the area surrounding Kitchener will be handled in the new office, located at the Medical Arts Building. C. M. Sprung is in charge.

FIDELITY
Insurance Company
of Canada
TORONTO

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J. H. RIDDEL *Manager* V. G. CREBER *Asst. Manager* S. FAIRLEY *Secretary*

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NORTH AMERICAN LIFE
Solid as the Continent
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Fire Insurance that Pays Dividends

BRANCHES: Toronto, Hamilton, Ottawa, [illegible], Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, St. John, Halifax

Save up to 30 per cent. on your Fire Insurance by participating in these annual dividends. Full information will be gladly supplied by our nearest branch office.

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Non-Assessable Policies *Assets $6,000,000.*

"*Canada's Largest Fire Mutual*"
The WAWANESA MUTUAL
INSURANCE CO.
Ranks 3rd against all companies on total volume of fire business written in Canada
FIRE LIABILITY WINDSTORM SPRINKLER LEAKAGE AUTOMOBILE PLATE GLASS
DOCTORS' AND DENTISTS' LIABILITY
Head Office—WAWANESA, Man.
Eastern Office—341 CHURCH ST., TORONTO, Ont.
Branches also at Vancouver, B.C.; Edmonton, Alta.; Regina, Sask.; Winnipeg, Man.; Montreal, P.Q., and Saint John, N.B.

Small Increase For Insurance

First Quarter Figures Show 3 Per Cent Gain in Life Business

Despite favorable returns from several individual companies, total sales of new ordinary insurance were but fractionally higher than the same month last year according to figures released this week by the Sales Research Bureau.

The March total was $31.6 millions a gain of less than 1 per cent over the same period last year. Compared with February, the gain for the month was nearly 4 per cent.

First Quarter Gain

Total sales for the first quarter of the year were higher by 3 per cent at $96.1 millions the figures reveal. The gain was largely due to the good showing of February when sales were higher by 6 per cent. Analyzed by areas, most of the gain was in Ontario, British Columbia and Nova Scotia although increases were shown in Saskatchewan, Manitoba and P.E.I.

Comparison of March figures this year shows all areas to have gained except Quebec, New Brunswick and Newfoundland.

U. S. Figures

Analysis of life insurance in the United States in March shows ordinary business down 5.7 per cent from the same month last year. Industrial business gained 4.6 per cent and group insurance soared 83.6 per cent. Cumulative figures for the first quarter show an increase of 63 per cent in group sales; an increase of 1.7 per cent in industrial business and a decline of 15.7 per cent in ordinary sales.

Canadian figures follow:

(a) Ordinary Life Sales*

	March 1936 ($000)	March 1935 ($000)	Feb. 1936 ($000)
B. C.	2,413	2,183	2,491
Alberta	1,322	1,298	1,092
Saskatchewan	989	909	953
Manitoba	1,814	1,629	1,487
Ontario	14,251	13,785	13,742
Quebec	8,808	9,190	8,952
N. B.	778	1,307	814
N. S.	1,043	771	1,149
P. E. I.	96	95	130
Nfld.	150	249	164
Total	31,664	31,416	30,474

(b) First Quarter Sales

	1936 $	1935 $
B. C.	7,358,000	6,223,000
Alberta	3,727,000	4,030,000
Saskatchewan	3,104,000	2,906,000
Manitoba	4,838,000	4,681,000
Ontario	44,739,000	42,102,000
Quebec	26,129,000	26,347,000
N. B.	2,189,000	3,540,000
N. S.	3,241,000	2,245,000
P. E. I.	316,000	285,000
Nfld.	484,000	761,000
Total	96,125,000	93,120,000

(c) Sales by Months, 1933-1936
($ 000)

	1933	1934	1935	1936
Jan.	29,928	27,728	32,988	34,221
Feb.	28,095	29,036	28,716	30,474
March	31,768	32,564	31,416	31,664
April	30,501	33,296	28,900	....
May	31,916	33,184	27,423	....
June	34,114	32,277	32,112	....
July	32,165	33,951	32,155	....
Aug.	29,749	26,659	26,854	....
Sept.	27,443	26,123	26,696	....
Oct.	33,434	31,342	30,416	....
Nov.	36,061	35,863	35,158	....
Dec.	36,967	37,691	36,550	....

*As compiled by Sales Research Bureau of Hartford from returns of 19 companies which at Jan. 1, 1936 had 90 per cent of total business in force in Canada and Newfoundland.

Lost Money

Drafts, Cheques Issued But Never Cashed

Unclaimed drafts, money orders, certified cheques, etc., included in the return made to parliament this session by the Bank of Nova Scotia contain, among others, the following:

The Dauphin Milling and Creamery Co., of Dauphin, Man., bought a money order, No. 23,874 for $10.68 on August 18, 1919, in favor of **M. Playford.** It has never been cashed.

This company also bought a money order, No. 28,974 for $2 on Nov. 11, 1919, payable to **A. J. Boughen,** also uncashed.

John Ross, of Halifax, bought a draft, No. 186,607 for $17.14 on April 30, 1926. It was payable to the **Ideal Transport Co.,** and has never been cashed.

Annie A. Rabello, of North Sydney, Nova Scotia, bought a draft, No. 187,-167 for $13 on October 7, 1930. It was payable to the **Renfrew Machinery Co.,** Renfrew, Ont., and has never been cashed.

This company, on the other hand, bought a money order at Renfrew, No. 15,597, for $2.47 on Aug. 31, 1928. The order was payable to **Robert Pettigrew** and has never been cashed. The company bought another order, No. 11,064, for $2, on March 15, 1929. This one was payable to **William Cyr** and has never been cashed.

H. M. Saunders, of Saint John, N.B., bought a draft, No. 187,466, for $10.47, payable to the **Mutual Club.** The draft was purchased July 31, 1928, and has never been cashed.

M. Koseo, of Saskatoon, bought a draft, No. 114,105, for $26.76, on April 22, 1924. It was payable to the **Athlone Club** and has never been cashed.

Foley, Welch and Stewart, of Vancouver, bought a draft, No. 8,315, for $41.94, in favor of **Steven Nooaswich.** The draft is dated July 12, 1911, and has not been cashed.

The Prince Albert Lumber Co., of Prince Albert, Sask., bought a draft, No. 112,841, on Dec. 24, 1912, payable to **Mrs. Alex Zitovitch.** The amount is $68.80 and it has never been cashed.

The Alpha Gamma Delta Fraternity of Toronto bought a draft, No. 5,925, at the Bloor and Spadina branch, Toronto, on June 2, 1928. It was for $19 and was payable to **Nora Bethel.** It was not cashed.

The Gasaccumulator Co., of Canada Ltd., Toronto, bought money order No. 58,716, on Dec. 9, 1929, for $5 payable to **M. H. Montgomery.** It was not cashed.

Rasminsky & Co., of 20 Adelaide St., Toronto, bought draft No. 133,008, for $40.37, on June 9, 1922. The draft was in favor of the **International Fashion Publishing Corp.** It was not cashed.

The foregoing sums are held at the points where the drafts or money orders were issued by the Bank of Nova Scotia.

Life Company Shareholders, 10.

Northern Life

Eighty-four Per Cent of Outstanding Shares Held in Names of Four Directors

Continuing its publication of the names of shareholders of Canadian life insurance companies as shown in official figures made available recently by the federal insurance department at Ottawa, The Financial Post this week shows the distribution of shares of Northern Life Assurance Co. with head office at London, Ont.

As shown by the tabulation, almost 84 per cent of the company's shares are held by four of the company's directors. Two of these directors are executive officers of the company, namely, R. G. Ivey, president and W. E. Robinson, vice-president. In addition to these shares, each director holds a qualifying block of 25 shares each.

Latest official information (Dec. 31, 1933) as disclosed by this list, follows:

Andrews, Agnes, C. J. (Mrs.), Halifax, N.S.	1
Estate, Chas. R. Bissell, London, Ont.	120
Estate Boothe, Chas., Toronto, Ont.	200
Casualt, A. Turcotte, Quebec, Que.	1
Casualt, Alexandre, Montreal, Que	1
Campbell, M. G., Windsor, Ont.	50
Clarke, Justice A. H., Calgary, Alta.	21
Estate G. N. Ducharme, Montreal Que.	50
Forbes, William, Ottawa, Ont.	10
Fraser, John E., Ottawa, Ont.	1
Fraser, John G. Carl, Ottawa, Ont.	1
Fraser, Marion, Quebec, Que.	10
Fraser, Andrew, Quebec, Que.	7
Frigon, N. Casualt, Quebec, Que.	2
Frigon, N. Casualt (Executrix), Lauzon, Que.	1
Gairdner, A. A., Toronto, Ont.	5
Gundy, S. B., Toronto, Ont.	25
Estate James Granger, London, Ont.	25
Ivey, R. G., London, Ont.	25
Ivey, R. G.; Robinson, W. E., Lawson, Ray; McConnell, J., London, Ont.	8,387
Lawson, Ray, London, Ont.	25
McEvoy, S. H., Oklahoma, Neb., U.S.A.	5
Macknight, R. C., Montreal, Que.	350
McKeough, Mabel A., Chatham, Ont.	14
Estate McGregor, Walter L., Windsor, Ont.	375
McConnell, J. E., London, Ont.	25
McCormick, Frank A., London, Ont.	25
Poston, Mrs. G. G., Kelowna, B.C.	3
Robinson, W. E., London, Ont.	25
Renfrew, Cliford G. P., Kelowna, B.C.	3
Renfrew, Mrs. G. C., Kelowna, B.C.	2
Sutherland, Jos. D., Quebec, Que.	6
Sutherland, Miss E. M., Quebec, Que.	3
Sutherland, Miss S., Quebec, Que.	3
Sutherland, Miss C. A., Quebec, Que.	3
Sutherland, Wm. J., Quebec, Que.	2
Sutherland, Jos. S., Quebec, Que.	2
Swabey, H. M., Toronto, Ont.	10
Turcotte, O. C., Quebec, Que.	1
Trafalgar Securities, Toronto, Ont.	150
Thompson, Septimus, M.D., London, Ont.	25
Total	10,000

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Sun Life Debenture

I would be very pleased to receive your opinion, regarding the guaranteed five per cent 20-year debenture, put out by the Sun Life Assurance Co. of Canada.

A friend of mine is also interested. He is 56 years of age, has a wife quite a bit his junior, they have a family of two kiddies. He has a fair estate.

I feel this is a good investment for any one, but thought it was more so in his case as it enables one to leave a guaranteed invested estate.

I would very much appreciate your opinion, regarding this debenture, from my friend's standpoint, and also as an investment, by the general public.

This type of contract should really be looked at as a form of insurance settlement rather than a five per cent investment.

The contract or form of settlement (as it really is) can be attached to almost any standard participating life insurance policy, and means that instead of purchasing say, $1,000 of insurance, you purchase a contract with a face value of $1,220.

Subsequently, when the policy matures, either through death or ordinary means, the beneficiary has the option, instead of taking the $1,220 in cash, of receiving over a 20-year period a guaranteed amount of five per cent based on each $1,000 of principal sum. This five per cent return is made possible in part by the 3½ per cent interest which the company guarantees on all moneys left on deposit with them, plus an additional 1½ per cent made possible by converting the additional $220 face value of the policy into 20 equal installments of $15 each.

In short, this policy is merely a plan whereby the purchaser invests a slightly larger premium in order to increase the face value of his insurance coverage by about 12 per cent on the understanding that this additional coverage (in the event of his death or when the policy becomes paid-up) shall be distributed in 20 annual income installments so as to achieve a guaranteed return of five per cent on each $1,000 unit of protection. In addition, it must be remembered that this contract is usually sold in connection with a participation policy so that any dividends or excess interest earnings declared by the company over and above 3½ per cent would be added to the annual return on the contract.

For a person 56 years of age, as suggested in your enquiry, this contract would have to be considered along with whatever insurance and other investments are now held.

The fundamental thing, however, is to understand the nature of this contract, and that being the case, it should not be very difficult for you to size up its value in any particular personal situation.

West Is Buying Cars, Tractors

Increase in Spring Business Reported From Saskatchewan

From Our Own Correspondent

REGINA. — Despite roads being closed by heavy snow and extreme cold weather, new auto sales in Saskatchewan for the first quarter totalled 40 more cars than last year, figures being 391 and 351.

Auto dealers regard this as a favorable sign and when roads are in shape again for extensive travel, sales should spurt ahead.

Implement dealers report a 50 per cent increase in tractor and seed implement sales for the first quarter and expect the same ratio of increase to continue during the next couple of months. Higher prices have had little effect and to use dealers' own words they have had few kicks in the connection.

Generally speaking other lines of business have not come up to the volume reported for the first quarter of last year but the next couple of months with open roads and improved weather will see a volume that may surpass sales during the first half of 1935.

Radio Sales Rise

Sales of radio receiving sets in Manitoba during the second half of last year were more than six times as large as in the first half, at 16,088, compared with 2,495.

Monarch Actuary

DARRELL LAIRD

Who has been appointed actuary of the Monarch Life Assurance Co. of Winnipeg. A graduate of University of Manitoba, Mr. Laird has been with Great-West Life since 1929. He is a Fellow of the Actuarial Society of America and an Associate of the American Institute of Actuaries.

He takes up his new duties May 1.

Wide Gains Seen By Great-West

New placed business of Great-West Life Assurance Co. during March showed an increase of over $2 millions, the increase for the quarter being over $3 millions, the company reports.

This represents a gain for the month of 69 per cent compared with the same period last year and an increase for the quarter of 28 per cent. Applications written during the first quarter are 14 per cent higher than in 1935.

Similarly the company reports its business in force has increased since the beginning of the year by approximately $750,000 compared with a decrease at this time last year of $6 millions.

Stone and Cox Publish Life Insurance Tables

"Life Insurance Tables" published annually by Stone and Cox is now available for 1936.

As in previous years, the bulk of this volume is taken up with specimen rates, dividends and cash value quotations for chief types of policies issued by various companies operating in Canada

In addition, there is a summary of succession duties charged in Canada by various provinces and other factual information of interest to insurance salesmen.

Insurance Inklings

G. C. STEVENSON, formerly assistant general manager for Canada of Occidental Life, has been placed in charge of a new Prudential of London branch at London, Ontario.

ANDRE TURCOT, for the past five years manager, Quebec City branch, Travelers Insurance Co. of Hartford, has resigned to take up a general insurance business. He is succeeded by Mr. Nadau.

F. A. NICHOLSON, branch manager for Manufacturers Life at Seattle since 1932 has been transferred to Winnipeg to become branch manager there. He replaces W. A. KENNEDY who resigned to return to personal underwriting.

RELIANCE
INSURANCE COMPANY
of
CANADA
· Montreal ·
Property Insurance

THE
PRUDENTIAL
ASSURANCE COMPANY LIMITED OF
LONDON ENGLAND

Calls the attention of its policyholders again to comparative figures which indicate the continued confidence of the insuring public in the Stability of the Empire's Largest Insurance Organization. The following results should be considered by those contemplating insurance.

	1935	1934
Premium Income	$ 183,940,280	$ 179,121,505
Total Income	264,993,765	254,291,740
Total Assets of All Branches Exceed	1,510,000,000	1,450,000,000
Payments to Policyholders Exceed	$ 145,000,000	$ 142,500,000
Total Claims Paid Exceed	2,450,000,000	2,300,000,000
Life Policyholders' Share of Surplus	$ 32,403,250	$ 31,721,440
New Life Sums Assured	$ 426,300,910	$ 429,321,845
Total Life Sums Assured in Force	3,946,154,695	3,839,191,360

The above figures are converted on the basis of $5.00 to the £

HEAD OFFICE FOR CANADA
465 St. John Street, Montreal
Branch Offices in the following cities
MONTREAL TORONTO HAMILTON LONDON WINDSOR
QUEBEC CITY WINNIPEG

LIFE · FIRE · CASUALTY

ESTABLISHED IN 1850 ÆTNA SYMBOL OF SECURITY

The Ætna Life Insurance Company, writing Life, Group, and Accident insurance, has been a Canadian institution since 1850 . . .

CALGARY · MONTREAL · TORONTO · VANCOUVER · WINNIPEG

THE TRAVELERS
L. EDMUND ZACHER, *President*
HARTFORD CONNECTICUT
Annual Statements *December 31, 1935*

THE TRAVELERS INSURANCE COMPANY
(*Seventy-second Annual Statement*)

Assets	
United States Government Bonds	$248,437,624.45
U. S. Government Guaranteed Bonds	6,790,175.00
Canadian Public Bonds	51,856,157.00
Other Public Bonds	21,566,898.00
Railroad Bonds and Stocks	61,451,746.00
Public Utility Bonds and Stocks	64,891,578.00
Other Bonds and Stocks	39,294,804.40
First Mortgage Loans	66,222,088.59
Real Estate—Home Office	12,195,819.98
Real Estate—Other	46,054,905.17
Loans on Company's policies	119,860,667.11
Cash on hand and in Banks	12,870,001.31
Interest accrued	8,861,115.66
Premiums due and deferred	26,949,977.11
All Other Assets	607,433.93
*Total	$787,910,991.71

Reserves and All Other Liabilities		
Life Insurance Reserves		$671,217,559.89
Accident and Health Insurance Reserves		9,651,416.17
Workmen's Compensation and Liability Insurance Reserves		48,281,435.15
Reserves for Taxes		4,231,141.86
Other Reserves and Liabilities		2,321,383.34
Special Reserve		12,140,270.74
Capital	$20,000,000.00	
Surplus	20,067,784.56	
		40,067,784.56
Total		$787,910,991.71

THE TRAVELERS INDEMNITY COMPANY
(*Thirtieth Annual Statement*)

Assets	
United States Government Bonds	$4,782,097.00
Canadian Public Bonds	1,822,658.00
Other Public Bonds	238,525.00
Railroad Bonds and Stocks	1,808,346.00
Public Utility Bonds and Stocks	1,466,331.00
Other Bonds and Stocks	11,319,476.00
Cash on hand and in Banks	2,389,576.90
Premiums in Course of Collection	1,817,658.85
Interest accrued	92,027.55
*Total	$25,736,696.30

Reserves and All Other Liabilities		
Unearned Premium and Claim Reserves		$8,163,878.43
Reserves for Taxes		388,100.39
Other Reserves and Liabilities		488,644.74
Special Reserve		7,410,246.47
Capital	$3,000,000.00	
Surplus	6,285,826.27	
		9,285,826.27
Total		$25,736,696.30

THE TRAVELERS FIRE INSURANCE COMPANY
(*Twelfth Annual Statement*)

Assets	
United States Government Bonds	$9,932,000.00
Canadian Public Bonds	310,500.00
Other Public Bonds	195,000.00
Railroad Bonds and Stocks	1,379,850.00
Public Utility Bonds and Stocks	3,194,316.00
Other Bonds and Stocks	2,924,676.00
Cash on hand and in Banks	1,834,284.93
Premiums in Course of Collection	1,420,752.08
Interest accrued	126,440.13
All Other Assets	21,934.27
*Total	$21,339,753.41

Reserves and All Other Liabilities		
Unearned Premium and Claim Reserves		$11,933,793.39
Reserves for Taxes		512,716.38
Other Reserves and Liabilities		121,835.88
Special Reserve		2,549,682.43
Capital	$2,000,000.00	
Surplus	4,221,725.33	
		6,221,725.33
Total		$21,339,753.41

THE TRAVELERS INSURANCE COMPANY was organized in 1863, issued its first policy in 1864 and began business in Canada in 1865. The Travelers Indemnity Company and The Travelers Fire Insurance Company likewise began operating in the Dominion shortly after their organization.

Since The Travelers was first authorized to do business in Canada North and Canada South, prior even to the federation, transactions have grown and expanded. Through increased patronage, the citizens of Canada have given evidence of their appreciation of the security and service rendered by The Travelers Companies, and The Travelers Companies have shown faith in the integrity and stability of Canadian investments.

The total legal liabilities of The Travelers Companies in Canada are covered by Canadian Public Bonds and loans on Canadian policies. The Bonds consist of Dominion, Provincial and Municipal issues, and are deposited in Canada under the provisions of the Act of the Parliament of Canada entitled "The Foreign Insurance Companies Act, 1932."

The reserves set up for Canadian policies are all invested in Canadian securities.

*Assets include securities deposited with Dominion, State and other authorities, as required by law:
The Travelers Insurance Company $19,354,817.00; The Travelers Indemnity Company $1,200,093.30; The Travelers Fire Insurance Company $605,790.00.

ALL FORMS OF LIFE, CASUALTY AND FIRE INSURANCE

STOCK AND BOND MARKET QUOTATIONS

This table is confined to official prices for listed stocks. Where no recent transaction has taken place on stock exchanges, the latest available bid and asked quotations are given to indicate the current level of prices. For unlisted stocks, for which transactions are not officially recorded, bid and asked quotations by unlisted dealers are published under "Unlisted Stocks" on this page.

Montreal, Toronto, Curb

WEEK ENDING APRIL 20

Range 1936 High	Low	Div R'te $	Apr18 Y'ld %		Sales	Last Apr. 13	Week end. Apr. 20 H	L	Cl'se
				A					
2.50	1.25	.	...	Abitibi	2095	1.75	1.85	1.50	1.50
13	6¾	.	...	Do. pref. 6%	313	10½	10½	9	9
12½	6¾	.	...	Do. cert. rep.	38	10½	9½	9	9
4½	4½	.	...	Acadia Sugar	....	(3½ bid — asked)			
10	8½	40c	4.7	Agnew Surp.	....	(8 bid 9 asked)			
107	104	7	6.7	Do. pref.	178	107	105	104	104
6	4	.	...	Alta. Pac. Gr.	300	4⅝	4⅝	4⅝	4⅝
39	25	.	...	Do. pref.	50	31	30½	30	30
3	2	.	...	Amal. Electric	....	(3 bid — asked)			
23	14	.	...	Do. pref.	20	20	19	19	19
40½	29¾	15c	...	Amer. Cyn. B.	....	(36 bid — asked)			
54½	51¾	3.50	6.6	Ang. C. Tel. p.	....	(— bid 54½ asked)			
28	17½	.	...	Asbestos v. t.	1282	27	27	25¾	26½
15	10	15c	...	Assoc. Brew.	350	10½	10¾	10	10
110	107	7	6.4	Do. pref.	....	(— bid 108 asked)			
35	34	.	...	Assoc. T. & T. p	....	(45 bid 47 asked)			
106	105½	7	6.6	At'an. Sugar, p	....	(— bid 5 asked)			
				B					
58	51½	2.25	3.9	Bank of Canada	164	57	58	56	57
140	133	8	5.8	Bk. Can. Nat.	24	137	137	136¾	137
214	185	8	4.3	Bk. Montreal	254	189½	190	185	185½
300	271	12	4.3	Bk. N. Scotia	39	278	285	278	280
235	225	10	4.2	Bk. Toronto	20	229	235	235	235
13½	11	50c	...	Barcelona	20	13½	11	11	11
17¾	10½	.	...	Bathurst Pr.	3270	14	14	12½	13
5¾	3½	.	...	Do. (B)	65	3½	4	3½	4
4	1¾	.	...	Bawlf Grain	....	(— bid 3 asked)			
38	24	.	...	Do. pref.	1	30	24	24	24
3	2½	.	...	Beath & Sons	10	2½	2½	2½	2½
15	11¾	.	...	Beatty Bros. A.	25	12	12	12	12
105	96	6	5.9	Do. pref.	15	104	101	100	100
3¾	2½	.	...	Beauharnois	392	2¾	2¾	2¾	2¾
110	105	4	3.6	Belding Cort.	35	105	110	110	110
130	130	7	5.4	Do. pref.	....	125½ bid 140 asked			
150	140	6	4.1	Bell Telephone	802	144½	146	144½	144½
32	30	1.25	...	Biltmore Hats	....	(34½ bid 39 asked)			
110	110	7	6.4	Do. pref.	....	108½ bid — asked			
5	3½	.	...	Bissell, T. E.	....	(4 bid 4¾ asked)			
50	33	.	...	Do. pref.	....	(42 bid 50 asked)			
5	3½	.	...	Blue Ribbon	140	4	4	4	4
31	27	2	6.5	Do. pref.	130	31	30½	30½	30½
31½	30	2	6.6	Brant. Cord. pf.	50	30½	30½	30½	30½
15½	9¾	.	...	Brazilian Tr.	13912	12½	12½	12	12
1.45	.80	.	...	Brew. & Distil.	3465	1.10	1.15	1.05	1.05
4½	2½	.	...	Brewing Corp.	1474	3	3½	2¾	2¾
18½	13¾	1.50	8.9	Do. pref.	1050	17	18	16¾	18
9	7½	30c	4	Bright, T. G.	....	(6 bid 7½ asked)			
82	80	6	7.5	Do. pref.	....	(82 bid — asked)			
27¾	16½	80c	3.2	Brit. Amer. Oil	20658	25¾	25¾	23¾	24½
13	9	.	...	B. C. Packers	5970	10½	11	10	10½
32¾	28½	1.60	5.1	B. C. Power A.	485	31	30¾	30	30½
5¾	4	.	...	Do. (B)	115	4¾	4½	4½	4½
16	12½	1.20+10c	10	Bruck S Mills	650	12¾	13	13	13
37½	33	1+25c	3.5	Building Prod.	335	35½	35¾	35½	35½
47¾	37½	2	4.8	Burt, F. N.	385	44	44	42	42½
				C					
86½	80	6	7.5	Calgary Pr., pf.	5	86½	80	80	80
6	4½	.	...	Canada Bread	85	4¾	4¾	4½	4½
95	90	2.25	...	Do. pref. A.	10	94	92¾	92¾	92¾
44	38	.	...	Do. pref. B.	85	42½	39	38	38
9¾	6½	.	...	Canada Bud	8860	9½	9¾	9	9½
8	6½	.	...	Canada Cement	1561	7½	7¾	6¾	7½
75	58	.	...	Do. pref.	473	69	69	67½	68¾
70	57	1.50+50c	3.3	C. & D. Sug.	120	58½	60	60	60
16½	12	.	...	Canada Dry	6200	13¾	13¾	12	12½
7	5	.	...	Can. Forg. (A)	5	6	6	6	6
2	2	.	...	Do. (B)	....	(2 bid — asked)			
41	40	.	...	Canada Iron	20	41	41	41	41
60	60	3	5	Do. pref.	....	(58 bid — asked)			
35	30¾	1.50+50c	6.4	Can. Malting	1848	31¾	31¾	30¾	30¾
25¾	22½	1.20	4.9	Can. Nor. Pr.	425	24½	24½	23¾	24
111	107¾	7	6.3	Do. pref.	318	110	111	109½	110
93	82½	3	3.4	Can. Packers	265	85	86¾	86	86½
118	105	.	...	Can. Paper, pf.	60	118	116½	116	116½
*2	2	.	...	Can. Paving	....	..	..	..	..
160	137½	8	5.2	Can. Perman.	63	155	156	154	156
3½	1	.	...	Can. Steamsh's.	2197	2½	2½	1	1¾
15¾	6¾	.	...	Do. pref.	2830	10	9½	6¾	7
27½	20	1.20	5.8	Can. Vinegars	345	21	21½	20	21
27	20½	.	...	Can. W. Cable.	55	26½	26½	25	25
12½	9	.	...	Do. (B)	114	12	12	12	12
99½	98½	.	...	Do. pref.	20	99½	99½	99½	99½
4	3	.	...	Can. Bakeries	50	3½	3	3	3
57	43½	.	...	Do. pref.	20	48	48	48	48
170	149	8	5.3	Can. Bk. Com.	649	156	155	151	152
41	31	1	2.5	Can. Bronze	110	41	41	40	40
116	110	7	6.3	Do. pref.	30	111½	111½	111½	111½
5½	4	.	...	Can. Canners	35	4½	4½	4½	4½
95½	88¾	6	6.3	Do. 1st pfd.	169	95	95	94½	95
8½	6	.	...	Do. 2nd pfd.	915	6¾	7	6¾	6¾
8	6	.	...	Can. Car & Fd'y	612	6½	6½	6	6½
17¾	13½	.	...	Do. pref.	405	15	15½	14½	14½
31½	26½	.	...	Can. Celanese	3205	26½	29½	26½	28
128	118½	7	5.8	Do. pref.	80	120	120	118½	118½
21	18	.	...	Do. Rights	21	20	19	18	19
30	23¾	2	8	Can. Convert.	55	30	27½	25	27½
50	48	4	8	Can. Cottons	....	(48 bid — asked)			
105	99	6	6	Do. pref.	60	101	100½	100½	100½
49½	37	1+1	4.3	Can. Dredge	890	47½	47½	46½	47½
100	100	6	6	Can. Fairb. pf.	....	(90 bid — asked)			
34	23½	1.60	4.9	Can. For. Inv.	155	31¾	32½	31½	32½
107	105	8	7.5	Do. pref.	....	(107 bid — asked)			
175	150	5	2.8	Can. Gen. Elec.	50	165	175	165	165
8½	8	40c	...	Can. G. Inv.	....	(88 bid 8¾ asked)			
48	30	.	...	Can. Hyd. El. p.	651	35	34½	30	31
12½	8½	.	...	Can. Ind. Alc.	7904	9½	9½	8½	8¾
11½	7½	.	...	Do. (B)	840	8	8	7½	7¾
225	225	4	1.8	Can. Indust. B.	....	(225 Mar. 7)			
4	1	.	...	Can. Int. I. Tr.	....	(1½ bid 3 asked)			
65	35	.	...	Do. pref.	160	56	58½	55½	58½
23	21	1	4.8	Can. Lt. & Pr.	....	(20 bid 23 asked)			
4	2½	.	...	Can. Locomo.	34	3½	3½	3½	3½
2¾	1¾	.	...	Can. Marconi	5200	2	2½	2	2
18	14¾	50c	3.3	Canadian Oil	60	15½	16	15	15
126½	123	8	6.3	Do. pref.	20	125	126	125	125
15¾	10¾	.	...	Can. Pacific	5112	13½	13½	12¾	12½
6	4½	.	...	C Pr & Pa Inv p	....	(5 bid — asked)			
3¾	1½	.	...	Can. Vickers	175	2½	2¾	2½	2½
25	12	.	...	Do. pref.	10	20	20	20	20
3¾	2¾	.	...	Can. Wineries	420	3½	3½	3	3
23	21	25ca	...	Can. Wire Box	35	22½	22½	22½	22½
24½	18½	.	...	Catelli Mac. A.	180	22	22	20	21
4	2	.	...	Do. (B)	113	2	2	2	2
165	165	8	4.8	Cent. C. Loan.	....	(160 bid 195 asked)			
1.60	.85	.	...	Chem. Research	1495	1.15	1.14	1.07	1.07
3	1¾	.	...	City Gas & Elec	35	1¾	1¾	1¾	1¾
.60	.40	.	...	Claude Neon	20	.40	.40	.40	.40
14½	12¾	92c	7	Coast Brew.	160	13½	13¾	13½	13¾
5½	4	.	...	Do. Rights	317	4½	4¾	4½	4½
9¾	7½	.	...	Cockshutt Plow	1300	8½	8¾	7¾	7¾
1.35	.75	.	...	Comm. Alcohol	....	(.90 bid .95 asked)			
18¾	15¾	80+10c	...	Cons. Bakeries	914	17½	17½	16¾	16¾
3¾	2	.	...	Cons. Paper	3359	3½	3½	3	3
9	5	.	...	Cons. Press	10	5	7	7	7
35	33	.	...	Cons. Sand, pf.	....	(32 bid — asked)			
293½	200	2.50+4	.	Cons. Smelters	2062	275	280½	269	269
205½	189	10	5	Consumers' Gas	406	203	205½	203	204
90	79	7†	8.7	Corr. P. Box, pf	60	80	80	80	80
22¾	17½	80c	3.9	Cosmos Imp.	374	20½	20¾	20	20
17	15	80c	5.1	Crown Cork	195	15¾	15¾	15½	15½
2¾	2	.	...	Crown Dom. Oil	....	(2 bid 2½ asked)			
30	30	2	...	Crow's N. Coal.	....	(31 bid — asked)			
				D					
4	2	.	...	David & Fre. A.	....	(— bid 3½ asked)			
1¼	¼	.	...	Do. (B)	....	(¼ bid 1 asked)			
7	2	.	...	De Havilland	60	5	4¾	4½	4¾
68	40	.	...	Do. (A)	....	(62 bid 63 asked)			
4	4	.	...	Disher Steel	....	(— bid 5 asked)			
11½	7½	.	...	Do. pref.	100	10½	10½	10½	10½
34¾	21¾	.	...	Distill-Seagram	5380	23	23¾	21¾	22
222½	190	10	4.8	Dom. Bank	45	210	210	209½	210
40½	32	1.29	3.2	Dom. Bridge	1239	38½	38	36¾	37
17¾	14½	1.50	...	Dom. Coal, p.	1565	15	15½	14½	14¾
36	26½	.	...	Dom. Engineer	185	32	32	31¾	31¾
41	32	.	...	Dom. Foundries	....	(— bid 36 asked)			
115	106	5	4.5	Dom. Glass	10	111½	112	111½	111½
145	135	7	4.9	Do. pref.	....	(140 bid — asked)			
35¾	33	.	...	Dom. Oilcloth	....	(— bid 34½ asked)			
100	95	.7	7.4	Dom. Rubber p	10	100	95	95	95
8	4½	.	...	Dom. St. & C.B.	2610	6½	6	5½	5½
12	8¾	.	...	Dom. Stores	440	9	9	8¾	9
7½	4¾	.	...	Dom. Tar & Ch.	704	6¾	7½	6¾	7½
80	57	.	...	Do. pref.	305	79¾	79½	76	76
79	70	5	6.8	Dom. Textile	182	74	73½	73	73
146½	144	7	4.9	Do. pref.	1	144	144	144	144
9½	4¾	.	...	Donnacona P. A	397	4¾	6	5	5¾
7½	2½	.	...	Do. (B)	395	5	5¾	4¾	5
7	5	.	...	Dryden Paper	100	5¾	5½	5¾	5¾
				E					
2½	1	.	...	East. Koot. Pr.	65	2½	2½	2½	2½
16	5	.	...	Do. pref.	....	(— bid 14½ asked)			
3½	2	.	...	East. Dairies	10	2	2	2	2
16½	12½	.	...	Do. pref.	10	14	14	14	14
13	10	.	...	East. Steel	50	11	11	11	11
101	80	7	7.2	Do. pref.	5	97	97	97	97
85	80	7	8.7	East. Theat., pf.	20	85	80	80	80
2½	1½	.	...	Easy Washing	....	(1½ bid 1¾ asked)			
24	20½	62½c	...	Economic Inv.	....	(22 bid 24 asked)			
28½	19¾	1.60+10c	..	Electrolux	805	25½	25½	24½	25½
3	1	.	...	Enam. & Heat.	....	(1½ bid 3 asked)			
24	10½	.	...	Eng. Electric	105	20½	21	20¾	21
12½	7	.	...	Do. (B)	....	(— bid 10¾ asked)			
*9	6¾	.	...	European El. A.	....	(1 bid 7 asked)			
.35	.35	.	...	Do. Warrants.	....	(.35 bid — asked)			
				F					
21½	19	.	...	Fam. Players	....	(17 bid 20 asked)			
20	19	.	...	Do. Vot. Tr.	....	(14 bid — asked)			
17½	13½	50c	3.5	Fanny Farmer	2071	14½	14¾	14	14
28½	23½	50c	2	Ford Motors A.	9801	25½	25½	23½	23¾
2.75	.85	.	...	For. Pr. Secs.	240	1.25	2.75	1.75	1.75
18¾	13	.	...	Foundation Co.	395	17¾	17½	16	16
19½	9	.	...	Fraser Cos.	72	14	14	13½	13½
19	8	.	...	Do. Vot. Tr.	50	13½	13	13	13
60	55	6	10	Freiman, pf.	....	(60 Feb. 24)			
8	2¾	.	...	Frost Steel	....	(3 bid 7 asked)			
100	94	3.50	...	Do. pref.	....	92½ bid 97½ asked			
				G					
5¾	3¾	.	...	Gen. St. Wares.	665	4½	4	3¾	3¾
65	55	.	...	Do. pref.	55	58½	55½	55	55½
73	64¾	2.50	3.5	Goodyear Tire	135	72	71	69¾	71
59	53½	2.50	4.5	Do. pref.	193	55½	55	54½	55
3	1	.	...	Gt. W. Saddlery	25	1¾	1¾	1¾	1¾
30	13	.	...	Do. pref.	30	27½	26	25½	25½

8½	6¼	.	...	Gurd, Chas.	220	8½	8½	8	8
100	100	7	7	Do. pref.	....	(95 bid 100 asked)			
8½	6¾	.	...	Gypsum, Lime	1855	7½	7½	6¾	7
				H					
6¾	4½	.	...	Ham. Bridge	290	4¾	4¾	4½	4½
37	25½	.	...	Do. pref.	165	32½	35	35	35
29½	25½	2	6.8	Ham. Cot., pf.	....	(29 bid 29½ asked)			
1.00	.75	.	...	Ham. U. Theat.	9	1.00	.75	.75	.75
52	50	4	8	Do. pref.	....	(48 bid — asked)			
4	2¾	.	...	Harding Carpet	300	3½	3½	3½	3½
9	1½	.	...	Hillcrest Coll.	....	(— bid 10 asked)			
16	15	.	...	Do. pref.	5	16	15	15	15
15½	12	50c	3.9	Hinde & Dauch	180	13	13	12¾	12¾
7	7	.	...	Holt Renfrew	....	(5 bid — asked)			
40	30	.	...	Do. pref.	....	(35 bid — asked)			
.70	.40	.	...	Honey Dew	....	(.60 bid .95 asked)			
8½	7	.	...	Do. pref.	60	8	8½	8	8½
14¾	11	.	...	H. Smith Pap.	2165	11½	11½	11	11½
119	91½	12	...	Do. pref.	394	94	94	91¾	91¾
35	32	2	6.2	Humberstone S.	....	(30 bid 32 asked)			
6	5½	.	...	Hunts (A)	....	(4¾ bid 6 asked)			
6	6	.	...	Do. (B)	....	(6 bid 10 asked)			
90	82	5	5.8	Huron & E. Mt.	....	(84½ bid 85½ asked)			
12¾	12½	.	...	Do. 20% pd.	3	12½	12½	12½	12½
10½	7	.	...	Hydro Electric	15	8	7	7	7
				I					
221	200	10	4.8	Imperial Bank.	58	208	209	206	206
24½	20½	50+75c	5.3	Imperial Oil.	27493	24	23¾	22½	22½
14½	13½	52½c	3.8	Imperial Tob.	2880	14	13¾	13½	13½
7¾	7	6%	...	Do. pref.	25	7½	7½	7	7
30	19	1	...	Inter City Bak.	....	(29 bid 30 asked)			
45	40	5+2	...	Inter'c Coal	....	(— bid 49½ asked)			
*110	108	8	7.3	Do. pref.	....	..	..	..	..
5½	3	.	...	Int. Hyd. E. A.	6400	3½	3½	3	3
7½	4	.	...	Int. Metal Ind.	1175	7½	6¾	5½	5½
42	30	.	...	Do. pref.	250	37½	39½	37	37
105¾	103½	5	4.8	Inter. Mill., pf.	20	104½	104½	104½	104½
54	44½	1	2.1	Inter. Nickel	21889	49½	50	47½	47½
6	2½	.	...	Inter. Paints	....	(— bid 3 asked)			
29½	19	1.12½▲	...	Do. pref.	....	(— bid 24 asked)			
b7¾	3	.	...	Int. Pa. & P. A.	1600	5¾	5½	5	5
b4	2½	.	...	Do. (B)	300	3½	3½	3	3
b3½	1¾	.	...	Do. (C)	3700	2½	2½	2	2½
b36¾	23½	.	...	Do. pref.	13000	30	30½	28	28
39¾	33¾	1.50+1	6.6	Inter. Pete.	12690	39½	38½	37¾	37¾
6	3½	.	...	Inter. Power	45	4	4½	4½	4½
88½	57	6	7.5	Do. prex.	345	80	81	80	80
15½	15½	.	...	Int. St. Rly. A.	....	(14 bid 15½ asked)			
14½	3¾	.	...	Int. Util. (A)	165	12¾	12	11	11
2.25	.40	.	...	Do. (B)	1910	1.25	1.30	1.00	1.05
				J					
35½	33	1.50	4.3	Jam. Pub. Ser.	180	35	35	35	35
125½	123½	7	5.6	Do. pref.	....	(125 bid — asked)			
				K					
9	6¼	.	...	Kelvinator	30	7¾	7½	7½	7½
107	106	7	6.6	Do. pref.	7	106	106½	106½	106½
				L					
22	16½	.	...	Lake of Woods.	85	20	19½	18½	18½
138	123	1.75	...	Do. pref.	45	136	135	135	135
58	55	5	9.1	Landed Bank	....	(55 bid 60 asked)			
*4	3½	.	...	Langley's	....	(— bid 3½ asked)			
50	46½	7	15.1	Do. pref.	....	(— bid 40 asked)			
69	64¾	3	4.4	Laura Secord	75	68	67¾	67½	67¾
4	3	.	...	Lindsay, C. W.	....	(3 bid 3¾ asked)			
41½	40	.	...	Do. pref.	6	41½	41½	41½	41½
20½	18¾	1	5	Loblaw (A)	2761	20	20	19¾	19¾
18½	17½	1	5.6	Do. (B)	824	18	18	17¾	17¾
				M					
*3½	3½	.	...	MacKin. Steel	....	(2½ bid — asked)			
4	4	.	...	Manitoba Pr.	14	4	4	4	4
.50	.50	.	...	M. L. Gardens.	....	(.50 bid — asked)			
4	3½	.	...	Do. pref.	35	3½	3½	3½	3½
2.25	1.10	.	...	Maple Leaf, m.	540	1.25	1.10	1.10	1.10
5¾	3½	.	...	Do. pref.	36	3½	4	4	4
*12¾	12	60c	4.4	Maritime Tel.	....	(14½ bid — asked)			
*15	14½	70c	4.7	Do. pref.	....	15 bid — asked)			
18	18	.	...	Marcus Loew's.	....	(— bid 20 asked)			
111	111	7	6.3	Do. pref.	....	(111 bid Feb. 17)			
7½	5¾	.	...	Massey-Harris	2977	6¾	6¾	5¾	5¾
40	33¾	.	...	Do. pref.	925	35¾	35½	33¾	34½
17¾	16½	80c	4.6	McColl Fron.	7204	17½	17½	16½	16¾
105	96½	6	5.8	Do. pref.	565	103	104	103	103½
13¾	9½	50c▲	...	Melchers A)	115	10	10	9½	9½
5¾	4	.	...	Do. (B)	220	4½	4	4	4
13½	9	.	...	Mercury Mill, p	20	12	12	11½	11½
36	30	1	...	Mitchell, J. S.	....	(36 bid 40 asked)			
110	110	7	6.4	Do. pref.	....	(110 bid — asked)			
8	5½	.	...	Mitchell, Robt.	145	6¾	6¾	6¾	6¾
5	3	.	...	Monarch Knit	....	(4½ bid — asked)			
90	85	7	7.9	Do. pref.	425	85½	88	85	85
35	26	.	...	Montreal Cot.	55	30	35	35	35
100	85	7	7.4	Do. pref.	105	95	95	95	95
2½	2	.	...	Mont. Is. Pr.	....	(2 bid 4 asked)			
34	31½	1.50	4.5	Mont. L. & Pr.	4941	32½	33½	32	32
26	26	2	7.7	Montreal Loan.	10	..	26	26	26
9	9	.	...	Mtl. Ref. & S.P.	....	(9 bid — asked)			
2	2	.	...	Do. Vot. Tr.	....	(2 bid — asked)			
60	55½	3.20	5.7	Montreal Tele.	91	57	55½	55½	55½
103	85	9	10.6	Montreal Trams	372	94	92	85	85½
39	27½	1	3	Moore Corp.	1875	35½	35½	33	33
165	146	7	4.6	Do. pref. (A)	7	155	152	152	152
230	175	7	3.5	Do. pref. (B)	106	222	210	198	198
1.00	.30	.	...	Muirheads	....	.30 bid .90 asked)			
3½	3	.	...	Do. pref.	....	(3½ bid — asked)			
				N					
44	37	2	4.6	Nat. Breweries.	2303	43½	43½	41¾	41¾
43	39¾	1.75	4.1	Do. pref.	345	41½	43	41½	42½
7¾	5¼	.	...	Nat. Grocers	275	6	6	5¾	5¾
135	130	7	5.2	Do. pref.	....	130 bid 135 asked			
20	16¾	.	...	N. Sew. Pipe A.	30	19	18	18	18
17½	14	.	...	Nat. Steel Car.	260	15	15	14	14
201	196	8	4.1	National Tr.	4	197	196	196	196
55	34	75c	...	Niag. W. Weav.	255	54	53½	53	53
60	56	3	5.2	Do. pref.	110	58	58	57½	57½
1.75	.90	.	...	North Star Oil.	....	(150 bid 175 asked)			
4.00	3.15	8½c	...	Do. pref.	....	3.60 bid 3.95 asked			
61	61	3	4.9	N. S. L & Pr.	....	(61 bid 65 asked)			
102½	102½	6	5.8	Do. pref.	....	100½ bid — asked			
				O					
240	199½	8	3.3	Ogilvie Flour	37	240	239½	235	235
160	152	7	4.4	Do. pref.	100	160	160	160	160
10	7	.	...	Ont. Eq. 10% pd.	5	7	7½	7½	7½
112½	109	6	5.3	Ontario Loan	....	(112 bid — asked)			
14½	12	.	...	Ont. Silknit	....	(— bid 12 asked)			
90	80	7+75c▲	...	Do. pref.	....	(— bid 84 asked)			
8	8	.	...	Ont. Steel	....	(6 bid 8 asked)			
85	75	.	...	Do. pref.	....	(— bid 95 asked)			
.40	.25	.	...	Orange Crush.	150	.25	.25	.25	.25
8	6	.	...	Do. 1st pref.	....	(7½ bid 8 asked)			
.45	.40	.	...	Do. 2nd pref.	50	.40	.45	.45	.45
95	88	6	6.4	Ott. L. H. & Pr.	....	(92½ bid 94 asked)			
110	101½	6.50	6.2	Do. pref.	10	104½	105	105	105
21	15¾	2	12.7	Ott. Traction	1	18	15¾	15¾	15¾
				P					
95	78½	3	3.4	Page Hersey	245	90	90	85	85
6½	3½	.	...	Pantepec Oil	4250	5¾	6	5½	5¾
25	18	.	...	Paton Mfg.	....	(— bid 30 asked)			
100	100	7	7	Do. pref.	5	..	100	100	100
57	48	3	5.8	Penmans	20	50	52	52	52
125	118	6	4.8	Do. pref.	....	122 bid 128 asked			
27	23½	1	4.3	Photo Eng.	70	24	25	23½	23½
97	85	7	7.7	Porto Rico Pr p	70	93	90½	90½	90½
18¾	11¾	.	...	Power Corp.	695	15½	15½	14	14
101	97½	6	6.1	Do. pref.	5	99	99	99	99
2½	1½	.	...	Prairie C. Oil.	80	2½	2½	2½	2½
29½	19	50+12½c	.	Pressed Metals.	1875	28	29½	27	27
6½	3½	.	...	Price Bros.	1310	4½	5	3½	4
40	22½	.	...	Do. pref.	735	35	31	28	29
				Q					
18	14	1	5.6	Quebec Power	346	17½	18	17½	18
				R					
*58	40	2	...	Real Estate L'n	....	(— bid 48 asked)			
6½	4¾	.	...	Regent Knit.	25	5	5	5	5
15	12½	.	...	Do. pref.	....	(14 bid 14½ asked)			
10	6½	.	...	Reliance Grain	10	7	7	7	7
30¾	29	2+25c▲	6.7	River S. Mills	120	30	30	29½	30
6½	4¾	.	...	Rogers Majest.	579	4¾	5	4½	4½
104	95½	6	5.9	Rolalnd P., pf.	55	103	102½	102	102
182	164	8	4.7	Royal Bank	175	174½	175	170	170
35	30	.	...	Russell Motor	....	(355 bid — asked)			
110	100	7+1▲	6.4	Do. pref.	30	110	110	110	110
				S					
11	7	.	...	Sarnia Br. (A).	25	9¾	11	11	11
3	1¾	.	...	Do. (B)	....	(2 bid 3 asked)			
23¾	19½	60c	2.8	Shawinigan	2841	21¾	22	21	21½
20	17½	.	...	Sher. Wms.	155	18	18	17¾	17¾
127½	117	7+1.75▲	5.8	Do. pref.	1	122	120	120	120
12	10	.	...	Simon & Son	....	(11½ bid 11¾ asked)			
93	85	7▲	...	Do. pref.	....	(90 bid — asked)			
80	76	4	5.2	Simpson, Ltd.	45	76	77	77	77
12	10½	.	...	Do. (A)	....	(— bid 11½ asked)			
9	8	.	...	Do. (B)	....	(— bid 7¾ asked)			
117½	111½	6	5.2	Simpson, R., pf.	5	117	115½	115½	115½
14	12	80c	5.8	So. Can. Pr.	655	13½	14	13	13½
100	93	6	6	Do. pref.	96	99½	100	99½	100
2¾	1¾	.	...	St. Law. Corp.	351	2½	2½	2	2½
11½	8	.	...	Do. (A)	1815	11½	11½	10½	10½
50	40	2	4	St. Law. Flour.	20	50	50	50	50
125	120	7	5.6	Do. pref.	....	123½ bid — asked			
32	20½	.	...	St. Law. Pa. p.	1160	31	31	29½	29½
10	6¾	.	...	Stand. Chem.	60	7½	10	9	9
2	2	.	...	Stand. Clay	....	(2 bid 9 asked)			
3.75	1.15	.	...	St. Pav. & Mat.	535	2.50	2.87	2.25	2.25
22	12	.	...	Do. pref.	20	15	15	15	15
29	20	.	...	Stand. Steel, pf.	10	27	27	27	27
67½	57	1.75‡	4.8	Steel of Can.	2949	66½	67½	65	65
60½	49½	1.75	2.9	Do. pref.	1454	60	60½	59½	59½
3½	3	.	...	Sterling Coal	....	(3 bid 4 asked)			
2.50	.50	.	...	Stop & Shop	....	(.75 bid 1.15 asked)			
2½	2	.	...	Supersilk H.	....	(2¾ bid 3½ asked)			
72	69	3.50	5	Do. pref.	35	70	70	70	70
38	30	1	2.8	Sup. Pete. ord.	220	35	36	35	35
32½	32	1	3.1	Do. com.	....	(36 bid 38 asked)			
110	109½	7	6.4	Do. pref.	....	110¾ bid 112 asked			
				T					
40	32¾	.	...	Tamblyn	....	(36 bid 40 asked)			
114	110	7	6.2	Do. pref.	25	110	112	112	112
5	1½	.	...	Thayers	10	4½	3	3	3
37	31	3.50	11.3	Do. pref.	....	(— bid 30 asked)			
3	1½	.	...	Thrift Stores	....	(2½ bid 3½ asked)			
10	7½	.	...	Do. pref.	....	(8½ bid 9½ asked)			
11	8½	.	...	Tip Top Tailors.	50	9½	9	9	9
106	102	7	6.6	Do. pref.	5	106	105	105	105
1	1	.	...	Tooke Bros.	5	1	1	1	1
22	10½	.	...	Do. pref.	15	21	22	21	21
40	34	1	2.8	Tor. Elevators	....	(34 bid 38 asked)			
119	112	7	6.2	Do. pref.	10	114	113	113	113
95	88	4	4.4	Tor. Gen. Tr.	....	(80½ bid 90 asked)			
120	115	6	5.1	Toronto Mtge.	....	(119 bid — asked)			
155	150	7	4.6	Tuckett Tob., p.	20	153	153	151¾	153
12½	8	.	...	Twin City	607	10	12	9	12
				U					
12½	9	.	...	Union Gas	3925	10½	10½	10	10½
20	15	.	...	Un. Amuse. A.	50	20	19¾	19¾	19¾
15	15	.	...	Do. (B)	....	(15 Mar. 14)			
.90	.60	.	...	United Distill.	....	(50 bid 70 asked)			
29	22	.	...	United Fuel, pf.	194	24½	25	23	23
25	25	2	8	United Secs.	....	(— bid 25 asked)			
4¾	3½	.	...	United Steel	300	3½	3½	3½	3½
				V					
3½	2	.	...	Viau Biscuit	200	2¾	2¾	2½	2½
38	18	.	...	Do. pref.	....	(30 bid 32 asked)			
				W					
31½	22	.	...	Wabasso Cot.	....	(20 bid 25 asked)			
34¾	17¾	2	7.4	Walker-Good.	4198	28½	28½	26½	27
19	17½	1	5.5	Do. pref.	1316	18	18¾	17¾	17¾
3¾	2	.	...	Walkerville Br.	400	3½	3	3	3
2½	1½	.	...	Waterloo Mfg.	120	1¾	1½	1½	1½
10	4½	.	...	West. C. Flour.	14	5	6½	4½	6½
65	48	.	...	Do. pref.	102	50	48¾	48	48
50	46½	2	4.1	West. Grocers	....	(50 bid — asked)			
110¾	107	7	6.4	Do. pref.	25	110	110¾	110	110
17¾	13½	60c	4	Weston Ltd.	3130	14	15	14½	15
102	99¾	5	5	Do. pref., new	800	101	101	99½	100
9¾	8½	.	...	Whittall Can.	5	9¾	9½	9½	9½
*3	1	.	...	Windsor Hotel	....	(2 bid — asked)			
4	4	.	...	Do. pref.	....	(3½ bid 6 asked)			
4½	2¾	.	...	Winnipeg Elec.	170	3¾	3½	3¾	3¾
18	10	.	...	Do. pref.	5	17	14	14	14
53	38	.	...	Wood, A. & J. p	....	(— bid 50 asked)			
67½	50	.	...	Woods Mfg., pf.	6	56½	51	50	50
				Z					
3	2¾	.	...	Zimmerknit, c.	110	2¾	2¾	2¾	2¾
69	60	3.50▲	..	Do. pref.	....	(65 bid 70 asked)			

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* Quotations for 1935. No sales recorded in 1936 to date.

† Plus $33.25 on arrears. Comprising one funding right for each preferred share.

▲ On account of arrears.

b New York quotations.

§ Plus one-eighth share of preferred stock plus one share of common stock, all payable in settlement of arrears.

‡ Plus extra of $1.42½ paid Feb. 1, 1936.

Government Bonds

(Furnished by Toronto Bond Traders' Assoc.)
April 22, 1936

Dominion of Canada Bonds

		Bid —Apr. 22—	Asked	Approx. Yield	Bid Apr 15
Dominion . 2	15 Oct. 1936	100.20	100.60	.70	100.25
Dominion . 5	15 Nov. 1936	101.90	102.30	.86	101.95
‡Dominion . 5	1 Mar. 1937	104.10	104.50	...	104.00
‡Dominion . 5½	1 Dec. 1937	107.70	108.00	.49	107.75
Dominion . 2½	15 Oct. 1939	102.75	103.25	1.54	102.75
Dominion . 4	15 Oct. 1939	107.35	107.85	1.67	107.50
Dominion . 2	15 Nov. 1939	101.25	101.75	1.50	101.25
Dominion . 4½	1 Sept. 1940	110.25	110.65	1.94	110.00
Dominion . 5	15 Nov. 1941	113.15	113.65	2.37	113.00
Dominion . 3	15 Oct. 1942	104.50	105.00	2.17	104.65
Dominion . 2½	1 June 1943	102.50	103.00	2.05	102.35
Dominion . 5	15 Oct. 1943	114.10	114.60	2.82	114.00
Dominion . 4½	15 Oct. 1944	112.15	112.65	2.82	112.00
■Dominion . 2½	15 Aug. '43-45	99.00	99.60	2.54	99.15
Dominion . 4	15 Oct. '43-45	108.25	108.75	2.70▲	108.25
Dominion . 4½	1 Feb. 1946	112.10	112.60	3.00	112.00
Dominion . 3½	15 Oct. '44-49	103.35	103.85	2.99▲	103.25
Dominion . 4	15 Oct. '47-52	107.25	107.75	3.19▲	107.00
Dominion . 3	1 June '50-55	98.85	99.25	3.05	98.45
Dominion . 4½	1 Nov. '46-56	109.75	110.25	3.33▲	109.65
Dominion . 4½	1 Nov. '47-57	109.75	110.25	3.42▲	109.65
Dominion . 4½	1 Nov. '48-58	110.10	110.60	3.45▲	110.00
Dominion . 4½	1 Nov. '49-59	110.20	110.70	3.50▲	110.10
■Dominion . 3¼	15 Jan. '56-61	100.75	101.30	3.16▲	100.35

Dominion Guaranteed Bonds

		Bid	Asked	Approx. Yield	Bid Apr 15
*G. T. P. Ry. 3	1 Jan. 1962	99.50	100.50	2.97	99.00
Can. N. Ry. 3	1 May 1944	102.25	103.25	2.55	102.25
Can. N. Ry. 3	15 Dec. '45-50	98.50	99.50	3.04	98.00
Can. N. Ry. 3	15 Feb. '48-53	98.00	99.00	3.08	97.00
*Can. N. Ry. 4½	1 Sept. 1951	113.25	114.00	3.33	113.00
*Can. N. Ry. 4½	1 Feb. 1956	113.50	114.25	3.50	113.25
†Can. N. Ry. 4½	1 July 1957	111.25	112.00	3.68	111.00
*Can. N. Ry. 4¾	15 June 1955	115.75	116.50	3.57	115.50
Can. N. Ry. 5	1 Feb. 1954	115.50	116.25	3.76	115.25
*Can. N. Ry. 5	1 July 1969	116.75	117.75	3.08▲	116.50
*Can. N. Ry. 5	1 Oct. 1969	118.25	119.00	3.51▲	117.75
*M. Harb. C. 5	1 Nov. 1969	118.50	119.50	3.50▲	118.50

Provincial Government Bonds

		Bid	Asked	Approx. Yield	Bid Apr 15
Eastern—					
N. Bruns. .. 4	1 Sept. 1954	103.50	104.50	3.66	103.25
†N. Bruns. .. 4½	15 Apr. 1961	109.50	110.50	3.84	108.25
†N. Bruns. .. 5	15 Jan. 1960	114.50	116.00	3.97	114.00
N. Scotia .. 3	2 Sept. 1945	99.00	100.00	3.00	98.75
N. Scotia .. 4½	15 May 1943	107.50	108.50	3.15	107.50
†N. Scotia .. 4½	15 Sept. '47-52	109.75	111.25	3.32▲	109.25
†N. Scotia .. 5	1 Mar. 1960	115.25	116.50	3.93	115.00
*Ontario 4	1 June 1962	103.00	105.00	3.70	103.50
*Ontario 4½	1 Sept. 1944	110.25	111.25	2.99	110.00
Ontario 4½	1 June 1950	108.50	109.50	3.65	107.50
*Ontario 4½	15 Jan. 1962	109.50	111.00	3.83	109.00
Ontario 5	15 Oct. 1948	111.25	112.25	3.76	110.50
*Ontario 5	2 Dec. 1960	117.50	118.50	3.84	116.00
Ontario 5½	1 July 1946	114.25	115.25	3.73	113.00
O. H. C. 3½-4-5	1 Oct. '33-52	101.25	102.25	4.27•	100.50
Ont. Hyd. C. 4¾	1 Jan. 1970	110.75	111.75	4.11	109.50
P. E. I. 3	1 Oct. 1945	99.00	100.00	3.00	99.00
Quebec 4	15 Mar. 1952	107.00	108.00	3.35	107.00
Quebec 4¼	1 Aug. 1958	110.00	111.00	3.53	110.00
Quebec 4½	2 Jan. 1963	112.00	113.50	3.70	112.00
Western—					
Alberta ... 4	15 Dec. '49-54	74.00	77.00	6.05	74.00
†Alberta ... 4	1 Dec. 1957	74.00	77.00	5.88	74.00
Alberta ... 4½	1 Oct. 1951	79.00	82.00	6.34	80.00
†Alberta ... 4½	1 Oct. 1956	78.00	80.00	6.24	78.00
†Alberta ... 5	1 Jan. 1948	79.00	82.00	7.28	80.00
Alberta ... 5	1 Sept. 1955	79.00	81.00	6.77	79.00
*Alberta ... 5	1 Oct. 1959	80.00	82.00	6.52	80.00
†Alberta ... 5½	1 Jan. 1947	80.00	83.00	7.83	81.00
Alberta ... 6	1 Mar. 1947	80.00	83.00	8.40	82.00
†Brit. Col. .. 4	1 Dec. 1957	84.00	88.00	4.90	....
*Brit. Col. .. 4½	15 Jan. 1951	88.00	91.00	5.38	....
†Brit. Col. .. 4½	1 Oct. 1953	87.00	90.00	5.38	88.00
†Brit. Col. .. 5	15 Jan. 1948	90.00	92.00	5.94	89.00
Brit. Col. .. 5	1 Sept. 1953	89.00	92.00	5.72	88.00
Brit. Col. .. 5½	1 Feb. 1945	91.00	93.00	6.54	89.50
Brit. Col. .. 6	15 Feb. 1947	92.00	94.00	6.77	90.00
Manitoba .. 4	2 Jan. 1950	94.00	97.00	4.29	....
†Manitoba .. 4	1 Dec. 1957	94.00	97.00	4.21	....
†Manitoba .. 4½	15 Dec. 1956	98.00	101.00	4.43	99.00
†Manitoba .. 5	15 June 1954	101.00	103.00	4.76	101.00
*Manitoba .. 5	2 Dec. 1959	102.00	105.00	4.65	105.50
Manitoba .. 5½	1 Oct. 1955	101.00	103.00	5.25	101.50
Manitoba .. 6	1 Apr. 1947	102.00	104.00	5.51	102.00
Sask. 4	15 Aug. 1953	85.00	86.50	5.18	84.00
Sask. 4	1 Nov. '55-60	84.50	86.00	4.97	83.50
*Sask. 4½	2 July 1945	92.00	94.00	5.33	92.00
†Sask. 4½	1 Oct. 1951	92.00	94.00	5.07	92.00
†Sask. 4½	15 Mar. 1960	88.00	90.00	5.23	90.00
Sask. 5	1 Aug. 1958	92.00	94.00	5.47	93.00
†Sask. 5½	15 Nov. 1946	95.00	97.00	5.89	95.00
Sask. 5½	1 Oct. 1952	95.00	97.00	5.78	95.00
Sask. 6	15 Mar. 1952	97.00	99.00	6.10	97.00

Municipal Bonds

		Bid	Asked	Approx. Yield	Bid Apr 15
†Calgary ... 5½	2 June 1944	....	83.00	8.45	....
†Edmonton . 5½	1 Nov. 1945	....	84.00	7.93	....
†Halifax ... 5	1 July 1961	112.00	114.00	4.11	112.00
Hamilton .. 5	1 May 1950	107.25	109.25	4.12	107.75
Montreal .. 5	1 Mar. 1945	102.00	103.50	4.51	102.00
Ottawa 4½	1 July 1945	107.00	109.00	3.33	107.50
†Quebec 5	1 June 1959	105.50	107.50	4.48	107.50
Regina 5	1 July 1944	80.00	85.00	7.49	82.00
St. John ... 5	15 Dec. 1950	107.50	109.50	4.14	107.50
†Toronto ... 4½	1 Jan. 1955	109.00	111.50	3.65	109.00
Vancouver . 5	1 June 1969	87.00	91.00	5.60	88.00
Victoria ... 5	21 July 1945	88.00	92.00	6.15	92.00
Winnipeg .. 5	1 Mar. 1944	100.00	102.00	4.69	100.00

*Payable Can., N.Y. & £. †Payable Can. & N.Y. ‡Exempt from Dominion income tax. ▲Calculated to call date giving lowest possible yield. •Calculated to maturity although callable prior to that date. ■Payable in N.Y.

Mining Stock Quotations

WEEK ENDED APRIL 20, 1936

Par Val.	Range 1936 High	Low	Company	Sales	Close April 13 (or last)	High for week	Low for week	Close April 20
1	.82	.54	Afton	73,502	.80	.81	.66	.68
No	.16	.07	Aldermac	43,150	.11	.12	.10½	.11
1	.03¾	.01½	Alexandria	71,200	.01⅞	.03	.01¾	.02¼
No	.10½	.03¾	Algoma	42,800	.09½	.09½	.07¾	.08¾
No	4.95	4.10	Anglo-Huronian	935	4.60	4.70	4.55	4.60
1	1.25	1.15	Argosy Gold	17,825	.....	1.25	1.15	1.25
No	.12	.02	Arno	85,690	.07⅞	.12	.08	.08
1	.97	.65	Arntfield	8,489	.87	.90	.85	.87
1	.25	.09	Ashley	37,600	.13½	.13	.09	.10
1	.06½	.02¾	Astoria Rouyn	162,750	.04½	.06½	.04½	.05¼
1	.11¾	.05½	Bagamac	31,750	.07½	.07¾	.07	.07½
1	.07	.03½	Barry Hollinger	36,350	.04½	.04½	.04	.04¾
1	.40	.21	Base Metals	11,625	.27	.27	.22	.22
1	.50	.28	B.E.A.R.	11,200	.41½	.44½	.40	.40
No	1.84	1.30	Beattie Gold	2,615	1.37	1.40	1.32	1.37
1	.45	.30	Beaufor Gold	10,650	.32	.33	.31	.31
1	.76	.60	Big Missouri	18,707	.64	.66	.60	.62
1	.24	.13	Bobjo	23,444	.15	.15½	.13½	.13½
No	7.85	5.55	Bralorne	2,332	7.75	7.85	7.35	7.35
1	.40	.20	Brazil Gold	6,300	.25	.25	.20	.20
1	.06	.02	Brett Trethewey	17,000	.04½	.05½	.04½	.04½
50c.	.25½	.09	B.R.X. Gold	4,200	.16	.20	.17	.17
1	6.50	3.80	Buffalo Ankerite	2,585	5.05	5.05	4.90	4.90
No	.11½	.02	Buffalo Can.	82,500	.10⅞	.11	.09½	.09½
5	37.00	31.50	Bulolo Gold	1,090	33.00	33.50	31.50	31.50
No	.18	.06	Bunker Hill	6,800	.12	.13½	.11	.12½
No	1.45	.95½	Can. Marlartic	18,120	1.16	1.19	1.08	1.13
1	1.60	1.15	Cariboo Gold	100	1.34	1.44	1.44	1.44
1	.05	.02	Cartier Malartic	31,500	.03	.04½	.03	.04½
1	1.69	1.24	Castle Trethewey	44,995	1.38	1.57	1.32	1.50
1	.25	.11½	Cen. Manitoba	36,200	.19	.20	.17½	.19
1	3.55	2.41	Cen. Patricia	83,770	3.24	3.55	3.24	3.28
No	.09½	.03½	Church M. & Mill	147,200	.07	.09½	.06½	.08
No	.08⅝	.03	Clericy	752,534	.05⅞	.08¾	.06½	.08
5	4.50	2.60	Coast Copper	885	2.80	3.00	2.60	2.00
1	.03¾	.01½	Cobalt Contact	17,650	.02½	.02½	.02½	.02½
5	3.45	2.80	Coniagas	600	3.10	3.00	3.00	3.00
No	2.64	1.80	Coniaurum	9,037	2.37	2.45	2.35	2.40
1	2.30	1.10	Cons. Chibougamau	89,936	1.35	1.58	1.52	1.41
25	293.50	200.00	Cons. Smelters	2,062	275.00	280.12	269.00	269.00
No	52.00	41.75	Dome Mines	1,873	44.75	47.50	45.00	47.00
1	.07	.04½	Dom. Explorers	5,674	.04½	.06	.04½	.06
1	.10½	.06½	Duparquet	9,100	.07¾	.07½	.06½	.06¾
1	1.38	1.01	Eldorado	31,140	1.07	1.14	1.01	1.10
No	9.50	6.90	Falconbridge	8,145	9.00	9.05	8.50	8.50
1	.10	.03	Federal	47,406	.04⅞	.06½	.04½	.05
No	.44	.19	Francoeur Gold	10,800	.20	.23	.19	.23
1	.11	.04½	Franklin Gold	562,750	.04¾	.06½	.04½	.06½
No	1.45	.75	God's Lake	72,410	.96	.96	.81	.88
1	.28	.14½	Goldale	40,700	.21½	.25	.19	.22
50c.	.42	.30	Gold Belt	1,000	.41	.42	.42	.42
1	.26½	.06	Goodfish	128,325	.14½	.22	.15	.21½
1	.07½	.03	Graham Bosquet	45,950	.05	.06⅞	.04¾	.05½
1	.31	.18½	Granada Gold	100,868	.19½	.25½	.19	.21½
No	.12	.05⅛	Grandora	11,000	.09½	.09⅞	.08½	.08⅞
1	.68	.21	Greene Stabell	466,405	.60	.66	.45	.50
1	.05½	.04⅞	Grozelle	......	(.04½ bid .04⅞ asked)			
1	.12	.08	Grull Wihksne	......	(.08 bid .12 asked)			
1	1.03	.75	Gunnar Gold	20,325	.90	.98	.90	.93
1	.05	.02	Halcrow Swayze	16,600	.03½	.03½	.03	.03½
1	.95	.30	Hard Rock	148,800	.71	.95	.68	.85
1	.13	.07	Harker	331,839	.11	.13	.11½	.11¾
5	17.25	13.50	Hollinger	5,965	14.87	15.00	14.62	14.87
1	.75	.55	Howey Gold	18,600	.60	.65	.57	.57
No	28.25	22.87	Hudson Bay	1,620	27.75	27.37	26.37	26.62
1	14.25	11.50	Inter. Mining	......	(12.65 bid 13.12 asked)			
1	4.50	4.10	Do., Pur Warr.	......	(3.75 bid 4.10 asked)			
No	54.00	44.12	Int. Nickel	21,889	49.25	50.00	47.25	47.25
1	.58	.28½	J. M. Cons. Gold	107,080	.50	.53	.47	.50
1	.55	.40	Kerr Lake	88	.55	.50	.50	.50
1	.62	.30	Kirk. Hud. Bay	6,700	.45	.50	.46	.50
1	.58	.42	Kirkland Lake	14,470	.45	.45	.42	.45
1	.22	.14½	Kirk. Townsite	2,200	.18	.16	.16	.16
No	.09½	.03	Lake Maron	59,200	.04½	.05½	.04½	.04¾
1	59.12	51.75	Lake Shore	6,008	53.65	53.50	53.00	53.12
1	.19	.05	Lamaque Contact	26,000	.08½	.10	.08	.08½
1	.29½	.12	Lebel Oro	164,098	.20	.22½	.18½	.22
1	.06⅝	.02¾	Lee Gold	39,500	.03½	.03¾	.03	.03¼
No	7.75	6.05	Little Long Lac	17,755	6.80	7.15	6.70	6.70
1	4.74	3.12	Macassa	33,502	3.89	3.90	3.72	3.75
1	.07	.01⅛	Malrobic	46,500	.03½	.03¾	.03½	.03¾
No	.33	.12	Mandy	13,600	.25	.28½	.27	.27
.	.07½	.07½	Manitoba Basin	500	.....	.07½	.07½	.07½
No	.19½	.05½	Man. & Eastern	48,600	.16½	.17	.16	.16
1	.20	.05½	Maple Leaf	27,350	.18	.19	.17	.17½
5	49.25	40.00	McIntyre	3,676	41.25	42.75	41.62	41.62
1	1.67	1.22	McKenzie R.L.	45,655	1.57	1.59	1.46	1.50
1	.56	.45	McKinley	800	.56	.56	.56	.56
1	.14	.02¾	McMillan	95,700	.06	.06	.04½	.05½
No	1.65	1.19	McWatters	139,450	1.33	1.50	1.30	1.35
1	.42	.21	McVittie	17,830	.24	.28½	.23	.27
5	.75	.50	Mentor Exp. & Dev.	.....	(.52 bid 1.00 asked)			
No	1.50	1.18	Mining Corp.	1,585	1.20	1.21	1.18	1.18
No	1.00	.07½	Minto Mines	80,000	.83	.93	.78	.78
1	.12½	.06	Moffatt Hall	21,300	.10½	.13	.09½	.13
1	.80	.58	Morris Kirk	18,800	.65½	.65	.62½	.65
1	.15	.06¾	Moneta	14,500	.14	.15	.13½	.13½
1	.04½	.00¾	Murphy	122,208	.03½	.03½	.03	.03¾
No	.04	.02	Newbec	51,100	.02¾	.03½	.03	.03½
1	.04½	.01½	Night-Hawk Penn.	26,500	.02½	.02½	.02	.02⅛
5	3.05	2.40	Nipissing	1,885	2.50	2.60	2.45	2.50
No	55.50	44.50	Noranda	13,738	55.00	55.50	53.00	53.37
No	.44	.28½	Nor. Canada	7,300	.39	.38	.36	.36
1	.70	.34	O'Brien	13,650	.45	.54	.43	.43
1	.79	.40	Omega	19,912	.56	.57	.55	.55
1	.....	.....	Osisko	500	.12	.09⅞	.09⅞	.09⅞
No	4.85	3.50	Pamour	13,653	4.45	4.45	4.25	4.25
1	.31½	.18½	Parkhill	21,855	.23	.23	.21½	.22½
1	.05½	.02¼	Pawnee Kirk.	119,445	.03½	.05¼	.03½	.05¼
1	.92	.50½	Paymaster	218,406	.76	.92	.74	.86
1	1.20	.85	Pend Oreille	2,000	.96	.95	.88	.88
1	1.75	1.12	Perron Gold	141,875	1.42	1.60	1.40	[illegible]
1	.04½	.02½	Peterson Cobalt	23,500	.03	.03½	.02½	[illegible]
1	6.90	3.95	Pickle Crow	61,320	6.50	6.90	6.45	6.65
1	12.00	9.60	Pioneer Gold B.C.	3,075	10.37	10.37	9.87	10.37
1	.15	.04	Porcupine Crown	117,200	.09½	.12	.09	.11
1	2.48	1.80	Premier Gold	10,000	2.35	2.35	2.30	2.30
1	.28	.21	Preston E. Dome	16,800	.28	.27	.24	.25
No	3.25	2.45	Prospectors Air's	1,500	2.50	2.70	2.60	2.60
1	1.34	.90	Quebec Gold	7,100	1.22	1.22	1.07	1.07
No	.07½	.04	Quemont	......	(.06 bid .08 asked)			
1	2.20	1.43	Read Authier	40,562	2.05	2.17	2.04	2.14
No	1.22	.50	Red Lake	63,340	1.18	1.22	1.16	1.17
1	1.25	1.00	Reno Gold	10,425	1.20	1.22	1.15	1.16
1	.08¾	.01	Ritchie	368,300	.07	.08¾	.06½	.08¾
1	.09	.04	Robb Montbray	112,300	.04½	.04¾	.04	.04½
1	.10¾	.05½	Roche Long Lac	57,650	.08¾	.10¾	.06¾	.09½
1	3.45	2.16	San Antonio	13,596	2.25	2.55	2.28	2.45
1	.90	.75	Shawkey	100,375	.77	.90	.78	.86½
50c.	.74	.56	Sheep Creek	10,000	.63	.74	.66	.70
1	1.40	1.00	Sherritt Gordon	150,736	1.20	1.40	1.25	1.25
1	3.50	2.88	Siscoe	115,035	3.23	3.50	3.23	3.40
1	6.25	4.40	South Amer. Gold	......	(.... bid 5.35 asked)			
No	.08½	.03¼	South Tiblemont	52,644	.04½	.05¾	.04	.05¼
No	.39	.18½	Stadacona	121,480	.32	.35	.30	.33½
1	.38½	.18	St. Anthony	18,600	.23	.23½	.20	.21
No	4.95	3.00	Sudbury Basin	5,275	4.00	4.20	3.90	3.90
.1	.18½	.06	Sudbury Contact	24,400	.15	.16	.15	.15
1	.07½	.03½	Sudbury Mines	113,000	.06½	.07	.05½	.05½
1	1.15	.83	Sullivan Cons.	36,900	.95	.98	.91	.93
1	2.90	2.25	Sylvanite	14,005	2.40	2.46	2.38	2.40
1	.50	.28	Tashota	20,000	.39½	.40	.37½	.39
1	5.40	4.30	Teck Hughes	29,045	4.75	4.75	4.50	4.60
1	.04½	.02	Timiskaming	5,000	.02½	.03	.02½	.02½
1	1.50	1.20	Toburn Gold	2,230	1.33	1.45	1.35	1.38
1	.37	.20	Towagmac	12,269	.29	.30	.26	.27
1	.40	.25	Treadwell		(.... bid .40 asked)			
No	2.52	1.60	Ventures	25,410	2.15	2.20	1.98	1.98
No	1.35	1.00	Waite Amulet	28,667	1.17	1.35	1.20	1.31
50c	.21	.15	Wayside	79,150	.16½	.16½	.15	.15½
No	.04¾	.03	White Eagle	14,050	.03½	.03¾	.03½	.03¾
1	.09½	.03	Wiltsey Coughlan	4,000	.08	.07½	.06½	.06½
1	.08	.04	Wood Kirkland	4,000	.05	.05⅝	.05	.05
No	9.00	7.55	Wright-Hargreaves	7,165	7.80	8.00	7.65	7.65
No	.71	.38	Ymir Girl	1,800	.44	.45½	.45	.45
			OIL STOCKS					
No	.18¾	.14	Acme Gas & Oil	16,050	.14	.16	.14½	.14½
1	.70	.50	Ajax	12,170	.55	.65	.50	.63
No	1.39	.70	Calgary & Ed.	2,832	1.30	1.35	1.25	1.28
1	.14	.05	Calmont	2,650	.10½	.10½	.08½	.10½
No	.10¾	.04½	Common Pete		(.05½ bid .07½ asked)			
No	.78	.40	Dalhousie	8,685	.50	.59	.53	.53
No	.13½	.06	East Crest	1,900	.08½	.08½	.08	.08
No	.70½	.35	Foothills	800	.50	.50	.50	.50
No	.18½	.13	High Sarcee	1,500	.14	.18½	.16	.16
No	1.46	.70	Home	3,415	1.05	1.13	1.05	1.07
1	.44	.11	Homestead O.&G.	154,150	.42½	.44	.35½	.39
No	.14½	.08	Lowery		(.07 bid .13 asked)			
No	.24	.13	Merland	1,000	.17½	.17	.17	.17
5	.26	.14	Nordon	95,350	.20	.26	.20	.24¾
No	.07	.04½	Oil Selections	33,650	.06¾	.06¾	.06	.06
No	.14½	.08½	Olga Gas & Oil	8,900	.08¾	.11	.08½	.10
1	.75	.55	Petrol Oil & Gas	90	.61	.61	.61	.61
No	39.50	29.00	Royalite	3,428	32.00	32.00	30.75	31.50
No	.10	.04	South West Pete		(.07 bid .12 asked)			
No	4.85	1.63	Texas Can	34,170	4.75	2.50	2.20	2.25

VANCOUVER STOCK EXCHANGE

(Transaction for Week to April 17)

Par Val.	Range 1936 High	Low	Company	Sales	Close April 13 (or last)	High for week	Low for week	Close April 17
25c	.00¾	.00¼	Bayview	2,000	.....	.00½	.00½	.00½
20c	.05	.02½	Beaver Silver	10,500	.03	.03¼	.03¼	.03¼
25c	.01½	.01	Bluebird		(.01½ bid .02 asked)			
No	7.90	5.60	Bralorne	3,477	7.80	7.90	7.45	7.45
1	.10	.02	Bridge River Cons	15,200	.07½	.07¾	.07½	.07½
50c	.25½	.08½	B.R.X. Gold	12,600	.16½	.17	.15½	.15½
1	.54	.17¾	B.C. Nickel	53,000	.32½	.38	.30½	.36
1	1.90	1.50	B.C. Silver	200	1.50	1.90	1.90	1.90
50c	.12	.04	Canadian Rand	73,300	.12	.12	.11½	.11½
1	1.52	1.15	Cariboo Gold	1,500	1.40	1.42	1.40	1.40
1	.26	.12½	Congress Gold	28,300	.22½	.24	.20	.20
25c	.00¾	.00¼	Cork Province	5,000	.00½	.00¾	.00¾	.00¾
No	.03¾	.01	Dalhousie Mines	14,000	.02¾	.03	.01½	.01¾
No	.36	.18	Dentonia	10,800	.20	.20	.19	.20
No	.08½	.02	Dictator	12,000	.06	.06	.05½	.05½
1	.07	.03½	Dunwell	2,800	.06	.05½	.05½	.05½
No	.09½	.03	Fairview Amal.	19,200	.07½	.08	.05½	.07½
50c	.47	.35	Fawn Mining	12,800	.42	.45	.40	.45
1	.18½	.03½	Federal Gold	77,700	.12	.13	.10	.11
1	.25	.20	George Copper		(.22 bid .25 asked)			
50c	.05½	.04	George Enterprise	1,500	.04	.05	.04½	.04½
1	.02½	.01½	Georgia River	24,500	.02	.02	.02	.02
50c	.02½	.01	Glacier Creek	1,000	.02½	.02	.02	.02
1	.24	.11	Golconda	2,100	.17	.18	.17	.17
50c	.46	.29	Gold Belt	9,950	.45	.46	.43	.43
50c	.18	.05	Gold Mountain	17,500	.12½	.13½	.12	.12½
50c	.04½	.02	Grandview	1,400	.04½	.04	.03	.03
No	.07¾	.02	Grange Mines	21,900	.04½	.04¾	.03¾	.04
1	.11	.07	Grull Wihksne	3,800	.10	.10	.09	.09
No	.05½	.02½	Haida Gold		(.02½ bid .03½ asked)			
25c	14.25	13.00	Hecla		14.25 April 7			
50c	.32	.21	Hedley Amal	9,900	.29	.28	.26½	[illegible]
No	.05	.04	Hedley Sterling		.04 April 7			
No	.08	.02	Home Gold	19,600	.04¾	.04½	.03¾	[illegible]
1	.01	.00¼	Independence	3,000	.00¾	.01	.00¾	[illegible]
1	.03	.02	Indian Gold	5,000	.03	.02¾	.02	.02
0c	1.40	.95	Island Mountain	1,596	1.35	1.35	1.25	1.34
51	.20	.18	Inter'tl Coal	300	.19	.19	.19	.19
50c	.72	.30	Kootenay Belle	9,800	.71	.71	.67	.68
25c	.00⅞	.00¼	Koot. Florence		(.00½ bid .01½ asked)			
10c	.02½	.01½	Lucky Jim		(.02 bid .02½ asked)			
No	.14¾	.07½	Mak Siccar	4,750	.08½	.08½	.08	[illegible]
50c	.14½	.07½	Meridian Min.	5,700	.10½	.10½	.09¾	[illegible]
No	.94	.07	Minto Mines	201,150	.88	.90	.75	[illegible]
50c	.05	.02	Morning Star	37,200	.03¾	.04	.03½	[illegible]
1	.01	.00½	Morton Woolsey	2,000	.00¾	.00⅞	.00¾	[illegible]
25c	.03½	.02	National Silver	43,500	.03	.03½	.03	[illegible]
50c	.15	.07½	Nicola	16,900	.10	.12	.10	[illegible]
50c	.05½	.03¾	Noble Five	19,500	.04½	.04½	.04	[illegible]
No	.08	.02	Pilot Gold	45,900	.05½	.06½	.05½	[illegible]
1	11.85	9.50	Pioneer Gold	1,790	10.25	10.35	10.00	[illegible]

Bank Chat

Douglas in Credit-Land

ONE difficulty in discussing the "social credit" ideas of Major Douglas has always been his reluctance to make any definite statement as to how they might work.

But he seems to have made a quite definite suggestion during the course of his recent correspondence with Premier Aberhart, in connection with a plan for refunding Alberta's debt.

"Call in all the bonds," he said in effect, "whether due or not, and give the holders, in exchange, a credit on the books of the government." That credit was to be for 15 per cent more than the face value of the bonds, for reasons not apparent on the surface.

Then, apparently, holders of the "credit" would exchange it in appropriate amounts for wheat, or coal, lands or houses, or anything else in Alberta that might take their fancy. From that point on the plan, like other social credit schemes, becomes hazy.

It is clear enough that a farmer selling wheat might have to take a thousand dollar "credit" in exchange for a thousand dollar's worth of wheat. In two or three years of fair crops the bondholders outside the province, if this would work, might have the "credits" all exchanged for wheat which they could move outside the province and sell. Thus apparently Alberta's external debt might be paid off.

Then what would the farmers do with their "credits," their sole return from their crops?

If they were forced to accept "credits" instead of money, presumably they could force their creditors in turn to accept these "credits," and also merchants from whom they wished to buy goods, so long as the merchant had goods to sell, for under such circumstances goods from outside of the province could hardly be expected to come in.

* * *

Rubles and Marks

THE "credits" would tend to become Alberta's sole circulating medium, and would become an irredeemable paper currency. Its value would fall, and prices expressed in "credits" would rise, in search of equilibrium.

Taxes would have to be paid in "credits" as there would be nothing else with which to pay them. With the change, the government would have to keep on taxing more, or start issuing more "credits" to pay its employees and to pay merchants for supplies.

The trail that would be followed has already been blazed by the ruble and the mark, not to speak of earlier examples.

But even that would not work unless farmers could be forced in the first place to accept "credits" instead of money for their wheat. The province would have to close its borders and prevent its farmers from shipping out wheat on their own account, or its mines from shipping out coal except as directed through a government exchange office.

Actually, of course, Alberta cannot do these things, without seceding from the Dominion of Canada, and depriving its people of the rights of citizenship,

The course actually being pursued by Premier Aberhart seems wild enough. But it is conservatism itself in comparison with any attempts to follow Major Douglas in his advice, if, as appears, it is based on such premises as those indicated by the major's correspondence with Mr. Aberhart.

* * *

British Business

A GLANCE at business prospects in Great Britain as seen through the eyes of leading bankers is given in the current monthly review of the Bank of Nova Scotia.

In brief, the bankers' views reflect agreements that recovery has been substantial, but there seems clear agreement that Britain cannot enjoy the full fruits of prosperity so long as international trade remains as restricted as it is today.

Unfortunately, they see little prospect of much expansion of the movement of goods between nations so long as there is continuing tendency toward economic nationalism. Generally speaking, the bankers feel the time is not yet ripe for official stabilization of currencies toward this end.

A prevailing view, in the words of Mr. Tuke of Barclays Bank, is that Britain "must still mainly rely on internal trade for a continuance of that recovery which we have experienced during the last few years . . . but the position disclosed is nevertheless serious and serves to emphasize the need for devoting unremitting attention to surmounting difficulties facing our traders in their endeavors to secure an expansion in overseas business."

Weekly Bank Clearings

	April 16 1936	Change year ago %	Apr. 9 1936 $
Halifax	1,739,917	— 13.0	2,168,986
Saint John .	1,506,653	— 45.8	1,616,735
Moncton ...	580,140	— 8.4	634,884
Sherbrooke	506,068	+ 6.6	636,627
Quebec	4,057,874	+ 8.0	4,222,292
Montreal ..	74,929,325	— 14.4	83,491,813
Ottawa	11,334,086	— 36.1	20,596,549
Kingston ..	432,226	— 9.8	551,767
Peterborough	555,340	— 6.4	607,613
Toronto	91,627,543	— 6.0	109,222,301
Hamilton ..	3,481,146	— 3.8	4,508,099
Kitchener ..	860,214	— 7.3	966,974
Brantford ..	677,134	— 7.8	773,662
London	2,247,323	— 0.1	2,415,102
Chatham ..	397,860	— 9.6	522,599
Windsor ...	2,432,416	+ 7.3	2,582,616
Sarnia	359,465	— 11.1	504,508
Sudbury ...	760,472	+ 1.5	672,190
Fort William	468,326	— 23.9	598,056
Winnipeg ..	37,211,774	— 5.1	48,856,303
Brandon ...	249,596	— 6.7	258,265
Regina	2,327,275	— 11.9	2,990,837
Moose Jaw .	508,590	— 11.5	465,718
Saska'toon ..	1,028,419	— 20.0	1,332,251
Medicine Hat	319,947	+ 41.9	232,826
Prince Albert	239,610	— 29.9	331,098
Edmonton .	2,980,763	— 19.8	4,049,036
Calgary	4,464,546	— 7.6	5,768,513
Lethbridge .	410,654	+ 4.6	441,143
N. W'minster	531,910	+ 18.6	604,483
Vancouver .	15,375,172	+ 5.7	17,140,376
Victoria ...	1,354,465	— 12.1	1,537,461

Small Loan Companies Curb on Loan Sharks

Figures Show "Family Finance" Interest Profits Not High

NEW LAWS NEEDED

By THOMAS C. THOMPSON

All the world hates a loan shark. William Shakespeare, well-known bard, is partly responsible through references he made to one, Shylock, and the latter's insistent demands for a pound of flesh.

But the prejudice antedates Shakespeare. It is as old as civilization itself. And it remains as strong as ever.

Money-lenders exist because there is a demand for their services. They range in the social scale from the pawnbroker to the bank president. They include racketeers and honest men, but their functions are all based on the fact it is profitable to lend money at interest. Some people call is usury, but there is a difference between the two terms—usualy about 90 per cent.

Money lending in Canada now ranks among the important industries, organized and operated by companies, banks, pawnbrokers and crooks.

The Finance Company

Until comparatively recently there were only three main branches of the industry:

The loan shark, lending money at 300, 500 or whatever percentage of profit the traffic would bear.

Pawnbrokers, fulfilling an age old function of lending money at interest on the security of goods and chattels.

Chartered banks—at the opposite social and economic pole—and engaged in the business of lending money on a large scale for credit purposes of business and industry.

Unequipped, unsuited and not intended as a credit medium for the small borrower, Canadian banks continue to be wholesale lenders of money and their lending operations are necessarily restricted to industrial or business purposes where the highest grade of collateral and a minimum credit risk are involved.

The gap between the bank and the loan shark or pawnbroker remained however. There was no credit accommodation for the salaried man, the family head, or the small merchant who required amounts of $300 or $500 for personal purposes.

Family finance companies have filled the gap, providing a service which no bank is equipped to provide and which safeguards the borrower against the vicious tactics of the loan shark.

Three companies, incorporated by special Act of Parliament, are now providing the chief source of family financing in the Dominion. All are under government supervision and under the direct supervision of the Dominion superintendent of insurance.

Higher Interest Rates

Their interest rates for loans exceed the maximum provided in the Dominion Money-Lenders Act, which restricts charges to 12 per cent per annum, including interest.

Since it is impossible to commercially loan money profitably at such a rate in sums of $500 or less without better security than is usually available for "family finance," amending legislation passed in 1928 and 1929 permitted specified rates in excess of 12 per cent per annum for these companies.

Companies affected by this legislation are: Central Finance Corp.; Industrial Loan & Finance Corp.; Discount & Loan Corp. of Canada; Small Loans Corp., and Personal Finance Corp. The two latter companies were incorporated two years ago, but have not yet commenced business.

Meanwhile, only three companies operate in Canada under permissive legislation. Their charges for borrowed money are higher than the traditional 5 to 7 per cent—in some cases much higher—depending on the amount and length of time arranged for repayment. But they are the retail lenders of money whose charges are based not on a few loans of $100,000, but on 100,000 loans of a few dollars.

Investigations, risks involved, overhead, bank interest charges and other items which the retail money-lender must meet are the basic reasons why a $500 loan to 500 different people, costs more to the borrower than a business firm borrowing $50,000 would pay, proportionately, to a bank.

Lender Can Lose

Scores of other money-lending sources are operating, however. In one eastern Canadian city an enterprising merchant for years operated as a private money-lender, taking highly speculative securities as collateral for loans ranging from $50 to $5,000. Sometimes, since "time was the essence of the contract," he made money through inability of the borrower to redeem the stock. Usually, it had depreciated so far, or had been worth so little in the first place, that when the loan came due, the collateral was worthless, and the loan was written off.

When he died, he had millions of shares worth nothing, but he had averaged nicely with other securities, and after years of effort found himself with about as much money as when he started. He once lent $50 on a $1,000 bond and years later cashed it at face value.

Such are the hazards of private money lending. The other side of the story—the hole-in-the-wall loan sharks — is usually different. These "lenders" leave no loopholes and charge any amount they can squeeze from the victim.

Here are Reasons For Borrowing

Why do people borrow money? Central Finance Corp., Canadian small loan concern, has classified the reasons why 23,987 Canadians made personal loans in 1935. Based on the company's business for last year, the following figures indicate that 81.42 per cent of loans were sought for payment of debts already contracted or for unusual emergencies.

Details are:

Purpose of Borrowing:	No. of Cust.	% of total
Medical, dental, hospital ..	4,459	18.59
To consol. overdue bills ...	2,149	8.96
Taxes	1,766	7.36
Fuel	1,529	6.37
Real estate mtgs. and int. ..	1,745	7.27
Clothing	1,842	7.68
Insurance	623	2.60
Rent	1,001	4.17
Repairs	1,115	4.65
Furnishings	1,059	4.42
Automobiles	942	3.93
Moving expense	493	2.06
Food	298	1.24
Funeral expenses	163	.68
Miscellaneous bills	344	1.44
Business needs	1,483	6.18
Travel and vacation	1,243	5.18
Education	165	.69
Assist relatives	778	3.24
Miscellaneous	514	2.14
Purpose not specified	276	1.15
Totals	23,987	100.00

The sequel is frequently heard in police courts, but actually, according to loan experts, there is little real enforcement of either the Dominion Money Lenders Act or the Provincial Money Lenders Acts which exist in most provinces.

Experts attribute the situation to conflict of jurisdiction between federal and provincial authorities where charges composed of interest and other fees for services in the category of "civil rights" are involved. The Dominion has, apparently no machinery for enforcing federal statutes such as the Money Lenders Act, such law enforcement being a function of the various provinces.

Reputable legal authorities are quoted by loan company officials as believing that the Dominion Parliament should enact a general law, similar to the Russell Sage Foundation Uniform Small Loan Law, under which local lenders might obtain licenses on establishing their integrity and financial capacity. Their charges could be limited, it is said, to 2½ per cent per month on unpaid balances, the maximum now charged by all three chartered companies in Canada.

If, as a business man, the Canadian who has never borrowed from one of the three companies now operating in Canada, is asked his view of the interest charges made for small loans, the answer is apt to be that they represent a charge out of all proportion to bank interest charges or similar costs of borrowing money.

They do. Because the money is loaned at retail. Against the maximum charge of 2½ per cent per month, however, it may be noted that a $200 rowboat rented at 50 cents an hour is also at the rate of 180 per cent a month; a $50 "dress suit" rented at $4 a day is 240 per cent a month; a $30 bicycle at 25 cents an hour is 600 per cent a month, and other articles, rented at retail, can be similarly estimated.

Profits are Modest

As a retail charge for the use of money, the practice of the chartered small loan concerns is in reality a sound one, for in the case of Central Finance Corp., 1935 results of business reveal that the profits are modest:

	$
Average loan	176.00
Average open accounts	159.37
Average unpaid balance	118.00
Income from operations	480,253.12
Income per open acct.	30.14
Operating exps. before int.	315,447.75
Operating exps. per open acct. .	19.79
Net from operations (before interest)	164,805.37
Net per open acct. (before int.)	10.35

To carry an average outstanding loan of $118 including all costs, assets of $114.18 had to be employed.

Who borrows from the chartered small loan concerns in Canada?

Skilled and semi-skilled laborers lead, with office, clerical and other white-collar workers in second place. Managers, superintendents and foremen make up the third group in point of numbers, and owners-managers come fourth. Salespeople, unskilled laborers, professional men and women, school teachers are grouped in that order.

Central Finance Corp., in an effort to combat the damages by unlicensed, irresponsible lending interests, has reduced the business of family financing to a science. Statistics compiled by the organization show that in 1935 the average loan was $176, with average monthly income of the borrower, $145. It therefore required $14.67 or 10.13 per cent of the borrower's monthly income to make his monthly repayment of the loan.

Costs to Borrower

Net costs to borrowers are shown by the following typical examples of 12 months' loans:

Cash received by borrower	Total cost to borrower incuding interest	Monthly repayment incuding all charges	Amount paid by borrower principal and all charges
$51.29	$8.71	$5.00	$60.00
82.06	13.94	8.00	96.00
102.58	17.42	10.00	120.00
153.87	26.13	15.00	180.00
208.40	31.60	20.00	240.00
263.00	37.00	25.00	300.00
404.96	51.04	38.00	456.00

What of the finance company's profits? They were, in 1935, $10.35 on $114.18 of assets, or 9.06 per cent per annum on the investment, before interest charges.

The three companies, operating under government supervision, are leading the way toward elimination of the "loan shark." With uniform legislation for the Dominion, loan sharks may eventually join Simon Legree, and the other melodramatic villains of the past.

AUSTRALIA and NEW ZEALAND.
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
(With which are amalgamated the Western Australian Bank & The Australian Bank of Commerce Ltd.)
Paid-up Capital - - - - £8,780,000
Reserve Fund - - - - 6,150,000
Reserve Liability of Proprietors - - - - 8,780,000
£23,710,000
Aggregate Assets 30th Sept., 1935 - - - £115,559,000
A. C. DAVIDSON, General Manager.
747 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London. The Bank transacts every description of Australasian Banking Business. Wool and other Produce Credits arranged.
Head Office: GEORGE STREET, SYDNEY.
London Office: 29, THREADNEEDLE STREET, E.C. 2.
Agents: Bank of Montreal; Royal Bank of Canada; Imperial Bank of Canada; Canadian Bank of Commerce.

Bank of Canada Weekly Statement

Increased note circulation, a decline of $3.6 millions in government deposits which was more than offset by a rise of $6.6 millions in deposits by other banks are shown in the weekly statement of the Bank of Canada. Total deposits are higher at $209.1 millions and liabilities have increased from $303.8 millions to $311.1 millions.

No change is shown in silver bullion reserve but reserves in U. S. funds are slightly lower at $9.48 millions. Dominion government investments are showing a significant uptrend at $110.5 millions, with the increase mainly due to additional investments in other than Dominion government short terms. Reserve ratio has declined.

Comparative figures follow:

Balance Sheet

Liabilities	Apr. 15 $	Apr. 8 $
Capital paid-up ..	5,000,000	5,000,000
Notes in circ.	92,943,526	89,648,231
Rest fund	173,092	173,092
Dep.: Dominion ..	19,757,571	23,358,316
Banks	188,823,750	182,263,015
Other	534,300	1,762,525
Total deposits ...	209,115,621	207,383,856
All other liabs. ..	3,964,488	1,625,738
Total liabs.	311,196,727	303,830,917
Assets		
Reserve: Gold ...	180,581,739	180,298,589
Silver bullion ...	1,636,496	1,636,496
Res. in sterling .	956,833	930,699
Res. in U. S. ..	9,481,870	10,598,617
Res. elsewhere ..	5,245	3,010
Total reserve	192,662,183	193,467,412
Subsidiary coin ..	271,578	294,132
Investments:		
Dom. govt. short	27,799,677	26,973,664
Other Dom. govt.	82,743,923	80,931,628
Total invest.	110,543,600	107,905,292
Premises	120,685	119,477
All other assets ..	7,598,681	2,044,605
Total assets	311,196,727	303,830,917
Reserve ratio	63.78%	65.13%

Cornwall Ont. reports an improvement in 1935 in collection of both tax arrears and in the percentage of current collections to total taxes levied. During the year, the town's cash position improved, cash on hand at the end of the year amounting to $90,274, compared with $60,941 at the end of 1934. Debenture debt increased during the year by over $10,000 to $814,743.

C.P.R. Loans

Ottawa Lends $3.7 Millions To Provide Work

From Our Own Correspondent

MONTREAL. — Advances by the Dominion government to the Canadian Pacific Railway in the last five years have amounted to $3,717,222, all of which was used to provide employment in the railway shops.

A non-interest-bearing advance of $1,447,222 was made under authority of the 1931 Farm Relief Act and its Continuance Act in 1932.

Under the Relief Act of 1932, $1 million was advanced, repayable when the C.P.R. declares or pays any further dividends.

A further $1,270,000 was advanced under the supplementary Public Works Construction Act of 1935. Differing from the two previous loans, both of which are non-interest-bearing, this will begin to pay interest in 1937 at 4 per cent. The company will liquidate the principal at the rate of $100,000 a year from January 1, 1938 to the same date in 1949, and at $70,000 until January 1, 1950.

Additional to the above, $1,870,207 has has been spent on purchase of equipment, as authorized by the supplementary Public Works Construction Act of 1935, for delivery to the C.P.R. under higher purchase agreement. This will be completely liquidated at the end of 17 years.

The government holds no security other than the general undertaking of the company

Staff Changes

The Royal Bank of Canada announces the following staff changes:

R. E. Green, appointed manager at Hepworth, Ont.

A. J. Courtney, Supervisor's department at Regina, transferred to Brandon, Manitoba, as manager.

P. J. LeMasurier, appointed manager at Luseland, Sask.

The following retire on pension; **P. R. Wilkinson**, Saskatoon, **C. Turnour**, Saskatoon, and **D. Dewar**, Hepworth.

Foreign Exchange

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Apr. 14	Apr. 15	Apr. 16	Apr. 17	Apr. 18	Apr. 20
U. S. dollar, High	.5906	1.00 5/32	1.00 11/32	1.00⅜	1.00 11/32	1.00 11/32	1.00 11/32
Low	.5906	1.00½	1.00 11/32	1.00 5/16	1.00⅜	1.00⅜	1.00½
1935, High	.5906	1.00 1/16	1.00⅜	1.00 5/16	1.00 11/32	1.00 11/32	1.00 1/16
Low	.5906	1.00 11/32	1.00¼	1.00¼	1.00 5/16	1.00 1/16	1.00 11/32
U. K. pound	4.8665	4.9718	4.97½	4.9733	4.97	4.97	4.96½
Argentina	.4246	.2776	.2779	.2778	.2772	.2772	.2770
Australia	4.8665	3.9683	3.9722	3.9720	3.9688	3.9696	3.9661
Austria	.1407	.1890	.1891	.1891	.1891	.1890	.1889½
Belgium	.1392	.1703	.1703½	.1703	.1703	.1703	.1701
Brazil	.1963	.0568⅜	.0568½	.0568½	.0568½	.0568½	.0567¾
Czechoslovakia	.0296	.0416¼	.0416	.0415¾	.0417	.0416½	.0416
Denmark	.2680	.2220½	.2221	.2221	.2220	.2220	.2217½
France	.0392	.0663¼	.0663½	.0663½	.0663⅝	.0663¼	.0662½
Germany	.2382	.4051	.4051	.4051	.4052	.4051	.4044
Greece	.013	.09506	.0095	.0095	.0095	.0095	.0095
Holland	.4020	.6834½	.6834½	.6832½	.6832½	.6829¼	.6822
Hungary	.1749	.2982½	.2983½	.2983½	.2983½	.2982½	.2980
India	.3650	.3786½	.3788½	.3787½	.3788½	.3784¼	.3781
Japan	.4985	.2904	.2904	.2908	.2904	.2907	.2904
Jugoslavia	.1929	.0231	.0231	.0231	.0231	.0231	.0231
New Zealand	4.8665	4.0083	4.0123	4.0120	4.0088	4.0098	4.0061
Norway	.2680	.2499¼	.2499½	.2499½	.2498½	.2499	.2496
Poland	.1122	.1901	.1903	.1902	.1902	.1902	.1896
South Africa	4.8666	4.9455	4.9503	4.9500	4.9460	4.9472	4.9426
Spain	.1929	.1374½	.1375	.1375½	.1375½	.1375	.1373½
Sweden	.2680	.2564	.2566	.2565	.2564	.2563	.2561¼
Switzerland	.1930	.3281¼	.3281½	.3281¼	.3281¼	.3279½	.3277
Hong Kong	.3422	.3294½	.3294½	.3290	.3305½	.3294½	.3291¼

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Company Earnings Reports

Quinte & Trent Valley

Quinte & Trent Valley Power Co. net loss for 1935 was only one-seventh of that in 1934, before depreciation and bond interest. But after these deductions the balance sheet deficit was increased by $127,529.

Working capital deficit increased somewhat. The deferred receivables shown as a separate non-current asset increased from $49,890 to $52,358.

All known obligations of the company have been paid, states J. G. C. Kerry, president, and its only obligations are now to bondholders and shareholders. The company has had to take unusually low rates to secure the business from the Gair Co. Canada, Ltd., which operates the groundwood pulp mill at Frankford. The Gair Co. has extended its lease for a year to March 31, 1937.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross revenue	13,477	9,484
Less: Oper. expenses	10,012	13,587
Toronto Paperboard*	4,857	4,843
Net loss from oper.	1,392	8,946
Less: Depreciation	7,500	7,500
Bond interest	40,788	40,788
Net loss	49,680	57,234
Add: Prev. deficit	127,528	70,294
Deficit to bal. sheet	177,208	127,528

*Carrying charges and depreciation.

Working Capital

	1935	1934
	$	$
Current assets	9,726	11,912
Current liabilities	17,665	15,891
Working capital	*7,939	*3,979
Ratio	0.55—1	0.75—1

*Excess of current liabilities over current assets.

General Finance Corp.

General Finance Corp., of Halifax, reports a reduction in earnings in 1935, net profit for the year amounting to only $4,400. This compares with $12,636 in the previous year.

During the year, current assets were increased by $130,451 to $325,476. Current liabilities are shown at $14,655.

Investment notes and certificates outstanding total $150,261 and installment investment certificates $158,958.

During the year the company incorporated affiliated companies in Saint John, Sydney and New Glasgow. These are reported to be operating successfully.

Profit and Loss Account
Years Ended Feb. 28

	1936	1935
	$	$
Gross income	38,917	38,129
Less: Expenses	12,983	
Int. on invest.	9,345	
Bank interest	462	22,969
Comm. on inv. cert.	2,325	
Res. unearned int.	6,383	
Depreciation	294	
Life ins. prem.	646	
Net earnings	6,277	15,160
Less: Prov. tax	700	......
Trans. fees	400	......
Inc. tax res.	776	524
Debt reserve	......	2,000
	4,400	12,636
Less: Class A div.	......	8,750
Class B div.	7,500	1,925
Class C div.	420	......
Surplus for year	*3,520	1,961
Add: Prev. surplus	2,780	818
Cash val. life ins.	1,149	......
Balance carried for'd.	409	2,779

*Deficit.

National Light & Power

Net earnings of National Light & Power Co. for 1935 were higher than in 1934 because of slightly higher gross revenue and somewhat lower operating expenses. This enabled the company to make a larger allowance for depreciation and to pay a larger total in bond interest.

Working capital dropped during the year. Current liabilities and $408,662 shown for notes payable are together $324,000 higher than current assets. Against that may also be placed deferred and prepaid charges of $124,903.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross revenue	505,690	491,313
Less: Oper. exp.	212,975	223,071
Taxes	26,226	26,242
	266,489	242,000
Add: Non-oper. inc.	5,394	......
Net earnings	271,883	242,000
Less: Depreciation	68,634	26,714
Bond interest	123,763	120,000
Bond & note disc.	10,135	9,907
6% notes int.	12,000	12,000
Other interest	29,892	39,168
Inc. tax reserve	4,200	3,000
Employ. pens. fd.	......	1,911
Invest. loss	......	4,699
Damage suit loss	......	415
Net profit	23,259	24,186
Add: Prev. surplus	83,616	59,625
Less: Adjustment	413	195
Balance forward	106,462	83,616

Working Capital

	1935	1934
	$	$
Current assets	139,717	193,080
Current liabilities	55,747	56,991
Working capital	83,970	136,089
Ratio	2.53—1	3.39—1

Canadian Hydro

Consolidated earnings of Canadian Hydro-Electric Corp. in 1935 were on approximately the same basis as in the previous year. The amount available for distribution on the first preferred stock was $2.3 millions, or about $60,000 more than in 1934. While the dividend was covered by a wide margin, payment for the last quarter was deferred owing to the uncertainty in connection with the revised Ontario Hydro contract.

During the year the funded debt was reduced by over $1 million. This amount includes $453,000 first mortgage sinking fund bonds and $515,500 of 6 per cent sinking fund debentures, of Gatineau Power Co.

Income and Surplus Account
Years Ended December 31

	1935	1934
	$	$
Gross income	9,349,112	......
Less: Legal fees	23,870	......
Exec salaries	23,310	......
Net revenue	9,301,932	9,360,974
Less: Oper. expenses	592,434	601,683
Maintenance	216,266	213,419
Taxes	249,204	183,062
General expenses	275,121	299,330
Directors' fees	2,813	240
Reserve for debts	4,933	13,115
Net income	7,961,161	8,050,124
Less: Bond interest	3,478,644	3,504,348
Debenture interest	1,050,747	1,082,456
Depreciation	654,150	650,321
Bond discount	349,616	354,173
Income taxes	74,779	163,987
Subsid. divds.	......	4,533
Surplus	2,353,225	2,290,306
Add: Profit on bonds	75,637	89,140
Previous surplus	1,628,335	1,980,648
Less: 1st pfd. divds.	670,780	731,760
2nd pfd. divds.	1,125,000	1,500,000
Common divds.	......	500,000
Add: Paid in surplus	6,690,358	6,690,358
Less: Add. deprec.	5,375,500	3,625,500
Surplus forward	3,576,275	4,693,192

Working Capital

	1935	1934
	$	$
Current assets	2,851,252	2,673,212
Current liabilities	1,218,801	1,601,073
Working capital	1,632,451	1,072,139

Canadian Canners

Substantial improvement in earnings is reported by Canadian Canners Ltd., Hamilton, in the year ended Feb. 29, 1936. Avern Pardoe, president, comments in the annual report that directors consider the recovery satisfactory "in view of severe competition."

Net profits after all charges, including $50,000 increase in depreciation allowance, were the equivalent of $7.78 a share on the first preferred, compared with $4.57 a share in the preceding year. Profits on the second preference were 19 cents a share compared with no earnings on this stock in the preceding year. Payment of dividends of 20 cents a share on the second preference reduced surplus slightly.

The balance sheet shows a reduction of funded debt by $73,000 to $3,093,000. Bank loan was reduced to $162,000 from $329,000. Working capital increased over $100,000. Other changes are of minor character.

Flotation of $3,500,000 of new three and four per cent bonds will refinance present funded debt at a saving in interest. It also eliminates optional payment clauses in present bonds which have been costly in the past. The new three per cent bonds mature $180,000 annually 1937 to 1942. This means that the saving in interest is all to be applied in payment of maturing principal. Particulars of new bonds are summarized elsewhere in this issue.

Comparison of earnings follows:

Income and Surplus Account
Years Ended Feb. 28

	1936	1935
	$	$
Operating profit	1,015,983	752,612
Less: Directors fees	10,350	10,260
Legal fees, executives salaries	51,960	......
Income tax prov.	72,772	35,731
Other taxes	88,836	84,779
Net earnings	792,065	621,842
Less: Depreciation	300,000	250,000
Bond interest	189,614	194,256
Net profit	302,451	177,586
Less: 1st pref. divs.	233,088	233,088
2nd pref. divs.	72,740	136,391
Deficit for year	3,377	191,893
Credit: Prev. surplus	499,824	394,233
Reserve transf'd.	......	*297,484
Surplus forward	496,447	499,824

*Balance of inv't and contingent reserve after $353,527 transferred to property acct. and $19,026 written off investments.

Working Capital

	1936	1935
Current assets	4,856,013	4,927,522
Current liabilities	742,663	919,834
Working capital	4,113,350	4,007,688

E. L. Ruddy Co. Ltd.

Slight improvement in the operations of E. L. Ruddy Co. Ltd. in 1935 is reflected in the company's earnings statement. Net profit increased from $1,131 in 1934 to $8,830 in 1935. Working capital also shows improvement.

During the year debentures outstanding were reduced by $19,200 to $621,700. Auditors state they have obtained from the trustee for the debenture holders a statement that sinking fund requirements have been covered by handing over $15,000 in bonds in each of the years 1929 to 1935 inclusive, making a total of $105,000 for this purpose and that the balance of $23,300 of bonds redeemed has been purchased out of surplus interest. The question as to whether the sinking fund requirements have been fully covered is dependent on the interpretation of the provisions of the trust deed, they state.

In regard to the balance sheet valuation of poster panels and painted bulletins, auditors recommend a downward revision of the net book value in order to bring same in line with present day actual costs. They point out that the valuation at which these are carried in the balance sheet is based largely upon appraisals made several years ago.

Consol. Income and Surplus Account
Years Ended December 31

	1935	1934
	$	$
Net prof. from oper.	125,830	112,019
Add: Prof. on deb. red.	2,333	6,603
Int. on invest.	156	......
Other profit‡	670	......
	128,989	118,622
Less: Bond interest	41,634	42,438
Int., taxes, Drake Realty Co.▲	11,000	11,000
Depreciation	65,312	64,053
Prov. for inc. tax	2,813	......
Surplus for year	8,830	1,131
Add: Prev. surplus	223,734	225,573
Inc. tax refund.	......	190
Less: Tax adjust.	1,437	......
Obsol. material	4,569	......
Loss on cancel. long-term contr.	......	2,700
Loss on sale of invest.	......	460
Bal. carried for.	226,557	223,734

▲Drake Realty Co. is a wholly-owned subsidiary operating as a real estate holding company.

‡On disposal of automobiles.

Working Capital

	1935	1934
	$	$
Current assets	264,814	231,837
Current liabilities	113,699	112,821
Working capital	151,115	119,016
Ratio	2.33—1	2.05—1

McColl-Frontenac

Earnings of McColl-Frontenac Oil Co. in the fiscal year ended Jan. 31, 1936, show a moderate increase over the preceding year, with net earnings available on the common stock equal to $1.16 a share, as against $1.15 a share in the 1935 fiscal year.

The balance sheet features an increase in accounts receivable and inventories. Investment in subsidiaries advanced during the year from $627,000 to over $1.5 millions; the increase representing an investment in oil producing properties in Trinidad.

Among liabilities, funded debt was reduced by $168,500, while the preferred stock outstanding shows a net increase of $206,400. The issued common stock was increased from 550,000 to 660,000 shares.

Income and Surplus Account
Years Ended January 31

	1936	1935
	$	$
Gross income	3,045,611	......
Less: Legal fees	24,589	......
Exec. salaries	204,592	......
Net revenue	2,816,430	2,570,217
Less: Depreciation	709,113	647,808
Directors' fees	11,669	33,748
Bond interest	581,928	582,077
Bad debt reserve	46,917	17,660
Bond discount	48,899	45,334
Income tax	191,000	170,000
Net profit	1,226,904	1,095,981
Less: Pref. divds.	459,252	458,815
Common divds.	459,398	412,497
Surplus	308,254	224,669
Prev. surplus	3,099,020	2,888,301
Less: Pfd. shs. redeem.	43,600	13,950
Surplus forward	3,363,674	3,099,020

Working Capital

	1936	1935
	$	$
Current assets	6,103,150	5,315,378
Current liabilities	1,576,811	1,224,800
Working capital	4,526,339	4,090,578

Claude Neon

Claude Neon General Advertising's financial statement for 1935 shows a net loss of $171,280, as against $187,437 in the previous year.

Sales have shown a moderate improvement, which has not been fully reflected in the profit and loss account owing to the practice inaugurated last year of taking into the account income from long-term contracts month by month only as earned. This change in accounting methods has resulted in the deferment of future years of contract balances amounting to $299,366.

The balance sheet shows the company's liquid position on an improved basis. Bank loans at $130,000 have been paid off in full. Moreover, since the close of the year, all arrears of sinking fund have been paid up.

Income and Surplus Account
Year Ended December 31

	*1935
	$
Operating loss	13,182
Add: Legal expense	476
Executive salaries	12,876
Deficit	26,534
Add: Interest on loan	2,558
Bond interest	101,574
Depreciation	40,614
Net loss	171,280

*Accounts for 1934 are not comparable as they include returns for E. L. Ruddy Co. Returns are separated in 1935 report.

Working Capital

	1935
	$
Current assets	608,542
Current liabilities	68,703
Working capital	539,839

Canadian Marconi

Canadian Marconi Co.'s financial statement for 1935 shows a further increase in earnings, with net income at $96,160, as against $60,387 in 1934. All departments, with one small exception, were productive of larger revenue and increased profits during the past year.

The balance sheet reflects strengthening. Holdings of government bonds declined from $259,312 to $219,312, but a bank overdraft of $89,761 was liquidated and cash balance increased. Since the beginning of the current year a mortgage of $35,000, shown in the 1935 balance sheet, has been paid off.

Income and Surplus Account
Years Ended December 31

	1935	1934
	$	$
Gross revenue	305,493	......
Less: Legal fees	3,011	......
Exec. salaries	34,743	......
Net revenue	267,739	228,386
Less: Depreciation	164,100	152,386
Directors' fees	7,479	13,061
Interest	......	2,100
Income tax	7,500	......
Surplus	88,660	60,387
Previous surplus	7,940	*52,447
Surplus forward	96,600	7,940

*Deficit.

Working Capital

	1935	1934
	$	$
Current assets	1,269,909	1,161,722
Current liabilities	179,648	197,187
Working capital	1,090,261	964,535

Can. & Dominion Sugar

Reduction of profits in the year ended Jan. 31, 1936, is reported by Canada & Dominion Sugar Co., Chatham, Ont., and subsidiaries. The decline is believed to be attributable chiefly to competition with the Beamish refinery, which grew out of the Crosse & Blackwell bankruptcy, in the important central Ontario market.

Dividends of $1¼ millions are charged against earnings. This represents $500,000 on the 500,000 common shares paid as two "extras" of 50 cents a share each in 1935; and also $750,000 of dividends declared to be paid in 1936. Maintenance of the regular rate of $1.50 a share this year is therefore contemplated.

As usual, the balance sheet of this largest sugar firm in Canada shows high liquidity. Working capital of $13 millions includes $2¼ millions in cash and $8.5 millions in government bonds. Market value of the latter is $9.3 millions.

The usual substantial additions to reserves have been made and some $208,000 added to earned surplus.

Income and Surplus Account
Years Ended January 31

	1936	1935
	$	$
Net oper. profit	2,306,802	2,724,766
Add: Inv't. int.	406,066	384,961
Net earnings	2,712,868	3,109,727
Less: Depreciation	489,186	489,186
Income taxes	407,844	386,473
Directors' fees	21,600	21,600
Exec. remun.	60,000	......
Legal expenses	344	......
	1,733,894	2,212,468
Add: Profit on inv'ts. sold	......	6,395
Less: Bond prem. w/o	......	35,509
Net profit	1,733,894	2,183,354
Less: Dividends	1,250,000	1,250,000
Surplus for year	483,894	933,354
Add: Prev. surplus	1,947,421	1,356,774
Bank res. not reg.	......	7,293
Less: Conting. res.	275,000	350,000
Surplus forward	2,156,315	1,947,421

Working Capital

	1936	1935
	$	$
Current assets	14,523,907	13,861,891
Current liabilities	1,523,897	1,829,897
Working capital	13,000,010	12,031,994

Hiram Walker-Gooderham & Worts

Net profits of Hiram Walker-Gooderham & Worts for the quarter ended February 29, 1936, were equal to $1.52 a share on 660,000 shares of common stock compared with $1.65 a share for the preceding quarter and $1.44 a share for the corresponding period of 1934-35. Profits for the half year were $3.17 a share as against $2.66 in the same period of the preceding year.

Full deduction was made, it is stated, for the decrease in value of floor stocks of the corporation and of distributors as a result of lower prices precipitated by reduction in customs tariff of the United States January 1, 1936.

Profit & Loss Statement

	Quarters Ending	
	Feb. 29, 1936	Feb. 28, 1935
	$	$
Operating profit	1,458,672	1,411,636
Other income	90,543	27,238
Total income	1,549,216	1,438,875
Deduct: depreciation	150,585	119,373
Interest, disc. exp.	63,222	
Bank interest	27,341	58,084
Net income	1,308,067	1,261,415
Income taxes	189,404	193,728
Net profit	1,118,662	1,067,687
Dividends on 460,818 preference	115,204	115,204
Earnings on common	1,003,458	952,483

International Metal Industries

Operating loss in 1935 of International Metal Industries is more than it was in 1934. After depreciation and contingencies of $180,000 the year's deficit reached $606,530 as compared with $38,148 for the preceding year. A surplus of $389,727 was thereby changed into a deficit of $216,803 during the year.

In spite of the losses sustained during the year the company has maintained a strong working capital position. Cash totals $739,000 and marketable securities $637,000. There are bank borrowings of $500,000 in the United States.

Consolidated Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Operating loss	294,280	78,462
Less: Inc. from invest.	32,966	96,817
Profit on sale of secs.	64,872	41,774
Net earnings	†196,442	60,129
Less: Prov. for deprec.	101,467	89,335
Prov. for inc. tax	24,345	8,942
Exec. remun.	79,043	......
Legal fees	25,233	......
Contingencies	180,000	......
Deficit for year	606,530	38,148
Add: Previous surplus	389,727	374,004
Profit on sale of invests.	......	§84,050
Less: Res. against invest. in subs.	......	▲30,179
Bal. carried forward	†216,803	389,727

† Deficit.

§ Transfer from reserve set up in previous years to reduce marketable securities to market values but not now required.

▲ Reserve for investment in and advances to Ferolite Engineering Works.

Working Capital

	1935	1934
	$	$
Current assets	4,473,216	4,096,698
Current liabilities	973,931	258,557
Working capital	3,499,285	3,838,141
Ratio	4.59—1	15.84—1

Robert Mitchell

Robert Mitchell Co. Ltd. reports a loss on operations in 1935 of $17,263, and a net loss after all charges of $49,900. This is in contrast to an operating loss of $88,326 and a net loss of $112,345 in the previous year.

The balance sheet shows not only a decline in net working capital, but an increase in bank loans from $20,000 to $110,000.

Income and Surplus Account
Years Ended December 31

	1935	1934
	$	$
Operating loss	17,263	*88,326
Add: Legal fees	577	......
Exec. salaries	27,516	......
Less: Other income	520	606
Deficit	44,836	87,720
Add: Bank interest	5,064	16,181
Directors' fees	......	8,444
Loss for year	49,900	112,345

*After executive salaries and legal fees.

Working Capital

	1935	1934
	$	$
Current assets	470,500	416,322
Current liabilities	220,025	115,387
Working capital	250,475	300,935

Famous Players Can. Corp.

Famous Players Canadian Corp. earnings for 1935 proved a little less than in 1934. Business curtailment for part of the year through increased taxation by Ontario Government is believed to have prevented a considerable recovery. Nevertheless the company was able to add to earned surplus after paying $190,000 in common dividends at the rate of 50 cents a share. Earnings were equal to 72 cents a share as against 82 cents in 1934. Interest was earned 2.19 times after depreciation.

Auditors state that earnings of subsidiary companies not consolidated in the statement shown below are not taken into the accounts except in so far as dividends were paid. Dividends paid, however, exceeded the total of earnings by such companies by $26,400. That was largely made up for by the fact that the company's share of earnings of affiliated companies (50 per cent and less owned) exceeded by $25,300 the dividends received.

Working capital showed a considerable improvement. This was due not so much to the increase in cash and call loans as to the decrease of the item of current purchase obligations by $225,000, making current liabilities much lower. The company retired $103,500 first mortgage bonds and $129,000 debentures during the year. The decrease of non-current purchase obligations from $462,000 to $203,000 is also a feature of the 1935 balance sheet.

Cons. Income and Surplus Account
Years Ended

	Dec. 28 1935	Dec. 29 1934
	$	$
Net earnings	1,552,019	1,434,011
Add: Disc. on bonds red.	3,556	37,606
Divds. received	101,718	84,082
Interest earned	72,088	75,774
Less: Officers' sal.	122,346	*
Directors' fees	4,450	5,450
Legal fees	10,301	*
	1,592,284	1,626,025
Less: Depreciation	435,057	471,021
Bond & debent. int.	522,334	574,972
Foreign exchange	4,900	3,874
Amort., leases, franch., etc.	170,426	168,465
Amort., reorg. of cap.	40,000	40,000
Prov. for inc. taxes	81,000	57,900
	338,567	309,793
Less: Prop. of profits applic. to min. int.	52,891	......
Net profit	285,676	309,793
Less appropriations:		
Common divds.	189,395	......
Prov. for conting.	......	10,000
Surplus for year	96,281	299,793
Add: Prev. surplus	3,762,037	3,459,411
Profit on sale of secs. & capital assets	15,136	7,898
Apprec. of marketable secs.	43,877	......
Less: Pr. year adjusts.	9,424	5,065
Balance forward	3,907,907	3,762,037

*Figures not available; presumably deducted prior to net earnings.

Working Capital

	1935	1934
	$	$
Current assets	1,996,759	1,923,229
Current liabs.	390,455	573,329
Working capital	1,606,304	1,349,900
Ratio	5—1	3½—1

Gatineau Power

Gatineau Power Co. reports a net revenue of $9.2 millions in 1935. Little change is shown from that reported in 1934.

The balance sheet shows a reduction of $453,000 first mortgage bonds and $515,500 in the sinking fund debentures. Property purchase obligations declined about $8,000 to $209,444, while the New Brunswick Electric Power Commission serial obligations were reduced from $103,666 to $69,111. The amount owing to Canadian Hydro-Electric Corp. now stands on the books at $5.2 millions, as against over $5.6 millions a year ago.

Reference is made in the report to the new Ontario Hydro contract, under the terms of which minimum requirements call for the reduction of about $2 millions a year in revenue as compared with the old contract. Under full contract demand annual revenue to Gatineau Power will be increased by over $1.5 million, but will still be some $700,000 less than the revenue that would have been received for the same amount of power under the old contracts.

Income and Surplus Account
Years Ended December 31

	1935	1934
	$	$
Gross income	9,223,477	......
Less: Legal fees	23,255	......
Exec. salaries	21,876	......
Net revenue	9,178,346	9,219,871
Less: Oper. expenses.	560,494	564,858
Maintenance	204,702	197,813
Taxes	245,796	179,513
General expenses	248,131	265,243
Directors' fees	991	90
Reserve for debts	4,941	12,760
Net income	7,923,291	7,999,575
Less: Bond interest	3,478,216	3,503,920
Debenture int.	1,364,848	1,350,512
Depreciation	648,552	643,747
Debt discount	345,438	349,995
Subsid. divd.	......	36,105
Income taxes	102,456	36,105
Surplus	1,983,779	2,076,295
Add: Profit on bonds	75,637	89,139
Previous surplus	1,803,302	2,137,865
Less: Pref. divds.	1,500,000	2,500,000
Add: Paid in surplus.	13,094,225	13,094,225
Less: Add. deprec.	5,375,500	3,625,500
Surplus forward	10,081,442	11,272,026

Working Capital

	1935	1934
	$	$
Current assets	1,518,417	1,280,916
Current liabilities	1,159,312	939,216
Working capital	359,105	241,700

United Gold

Interim balance sheet issued by United Gold Equities of Canada as at March 31, 1936, showed total assets of $470,536, consisting chiefly of investment securities at a cost of $449,794. The market value of these securities as at the same date was $565,822.

The report shows 221,634 standard shares issued and $1,000 shares of common stock. At the end of March last 53,166 option shares were issued entitling the holders to subscribe at any time between April 1, 1936, and August 31, 1936, at prices ranging from $2.20 to $3 a share.

No 5½ PT

Can. Foreign Invest.

Canadian Foreign Investment Corp., a holding company whose principal subsidiary is the Brazilian Portland Cement Co. operating in Brazil, reports a somewhat larger net income in 1935 than in 1934. After taking care of preference dividends, the balance was equal to $2.11 a share on the common stock, as against $1.48 in 1934.

The balance sheet shows that during the year outstanding preference was reduced from $1,350,000 to $1,329,300. A further block of $229,300 will be redeemed on July 1 next.

Income and Surplus Account
Years Ended December 31

	1935	1934
	$	$
Gross revenue	302,876	305,311
Less: Expenses	40,664	43,298
Interest	......	16,357
Net profit	262,212	245,656
Less: Pref. divds.	106,862	137,004
Common divds.	117,465	91,770
Surplus	37,885	16,882
Previous surplus	555,309	564,121
Less: Pfd. stock prem.	1,031	*25,464
Tax adjustment	......	230
Surplus forward	592,163	555,309

*Including premium on debentures redeemed, after deducting capital surplus.

Can. Oil — Calgary Power

By an unfortunate transposition of type in last week's issue of The Financial Post the working capital of Calgary Power was placed beneath the working capital of Canadian Oil Cos. The context probably showed readers which was which but to make sure, the working capital positions of both companies are herewith set out once more:

Canadian Oil Cos.
Working Capital

	1935	1934
	$	$
Current assets	2,504,535	2,899,713
Current liabilities	472,493	453,064
Working capital	2,032,042	2,446,649
Ratio	5.30—1	6.40—1

Calgary Power Co.
Working Capital

	1935	1934
	$	$
Current assets	708,764	802,135
Current liabilities	508,953	478,627
Working capital	199,811	323,508

Quebec Central

Quebec Central Railway Co., a subsidiary of the C.P.R., reports gross income in 1935 of $1,401,909, as compared with $1,309,205 for 1934. Working expenses, including taxes, were higher by $72,747, resulting in operating net earnings of $64,690, an increase of $19,957 compared with the previous year.

The freight traffic increase was largely in mine and forest products, passenger revenue showing a decrease which is attributed to a great extent to highway competition, principally by private automobiles.

New Apple Warehouses

Construction of five new apple warehouses is proposed, at various locations throughout the Annapolis Valley, this year.

New Issue

$3,500,000

Canadian Canners Limited

First Mortgage Bonds, Series A

$1,080,000 Serial 3% Bonds to be dated May 1st, 1936, and maturing May 1st, 1937-42.

$2,420,000 Convertible 4% Fifteen Year Bonds to be dated May 1st, 1936, and maturing May 1st, 1951.

Principal and half-yearly interest (May 1st and November 1st) payable, at the holder's option, in lawful money of Canada at the principal office of the Company's bankers in Toronto, Montreal, Hamilton, Vancouver, Winnipeg, Saint John or Halifax. Coupon Bonds in denominations of $1,000 and $500 registerable as to principal only. Redeemable in whole or in part at the option of the Company on any interest payment date prior to maturity on sixty days' notice at: for the 3% Serial Bonds 101 and accrued interest; for the 4% Fifteen Year Bonds 103, if redeemed on or before May 1st, 1941; 102 if redeemed thereafter and on or before May 1st, 1946; 101 if redeemed thereafter and on or before May 1st, 1947; thereafter at decreasing premiums of ¼ of 1% per annum to and including May 1st, 1950; and thereafter at 100 to date of redemption, plus in each case accrued interest. Annual sinking fund payments of $150,000 are to be made to the Trustee for the 4% Fifteen Year Bonds, commencing May 1st, 1943.

Trustee: The Royal Trust Company, Toronto.

In the opinion of Counsel these Bonds will be a legal investment for Insurance Companies under The Canadian and British Insurance Companies Act, 1932.

The Serial 3% Bonds are not convertible. The 4% Fifteen Year Bonds are convertible at the option of the holder into no par common shares of the Company as now constituted (subject to the provisions of the Trust Deed) on the basis of 5 shares for each $100 principal amount of the Bonds up to and including November 1st, 1943; and thereafter on the basis of 4 shares for each $100 principal amount of the Bonds.

The $3,500,000 principal amount of Series A Bonds comprising this issue will form part of an authorized issue of $5,000,000 principal amount of First Mortgage Bonds and additional bonds may be issued only for additions to the mortgaged premises and subject to the restrictions to be contained in the Trust Deed securing the said issue.

Schedule of Maturities

Due May 1st	Amount	Coupon	Price	Yield
1937	$ 180,000	3%	99.00	
1938	180,000	3%	99.00	
1939	180,000	3%	99.00	
1940	180,000	3%	99.00	
1941	180,000	3%	99.00	
1942	180,000	3%	99.00	
The above Bonds have been sold.				
1951	2,420,000	4%	97.75	over 4.20%

We offer these Bonds (against payment on delivery) at the above prices and accrued interest, subject to prior sale, if, as and when issued and accepted by us and subject to the approval of our counsel, Messrs. Fraser & Beatty, Toronto, and of Messrs. Holmested, Sutton & Hill, Toronto, counsel for the Company. The Company's title to its lands and other fixed assets is to be passed upon by its solicitors, Messrs. Lees, Hobson & Co., Hamilton.

It is expected that interim bonds or trustee's interim certificates will be available for delivery on or about May 15th, 1936.

A Prospectus, a copy of which has been filed under the provisions of the Companies Act, 1934, will be promptly furnished on request.

Wood, Gundy & Company Limited

The Dominion Securities Corporation Limited

Royal Securities Corporation Limited

McLeod, Young, Weir & Co. Limited

R. A. Daly & Co., Limited

Cochran, Murray & Co., Limited

Week in Wheat

Low World Shipments But Undertone Strong

Poor Crop Outlook in United States and Europe Adds Strength — Expect Bigger Volume With Opening of Navigation

From Our Own Correspondent

WINNIPEG.—World wheat shipments last week of under 7 million bushels emphasized the hand-to-mouth character of buying that is in progress both in Great Britain and on the continent. However, the situation is probably better than those figures would indicate.

Easter holidays had some effect, and so also had the expectation of fairly large shipments from Canada by the short Atlantic route as navigation opens. Over 60 ships are chartered to carry grain from Montreal and 50 are expected to load before May 1.

The fact that prices are holding fairly well is an indication the market is deriving some strength from the poor crop prospect in the United States, a discouraging outlook in Northern Africa and rather less than average prospects in Europe outside of Italy.

Crop Prospects

SO FAR, nothing has occurred to impair expectation of a good crop in Western Canada except some risk from poor seed. Lack of moisture is not a worry. Practically all parts of the country are sufficiently supplied for germination, with at least some reserves of sub-soil moisture everywhere. With reasonably favorable weather seeding will not be unduly late.

The grasshopper menace has largely disappeared. There are some limited areas in which the infestation of eggs is sufficiently heavy to constitute a danger. But these are small and can be easily handled by provincial poisoning campaigns.

Wheat acreage will be under some restrictions. Some of the least profitable land has been definitely abandoned. Some farmers will not have sufficient seed. Others are hampered by lack of adequate equipment.

* * *

Slow to Buy Again

RELUCTANCE of foreign millers to resume free use of Canadian wheat has not yet been overcome. That reluctance developed when Canadian wheat was held at high premiums over competitive wheats. The general standard of flour in use was lowered and has been kept down for a sufficient length of time to accustom customers to the different product.

It was hoped that when the price differential was removed millers would be in a hurry to use Canadian wheat in the old proportions. There was no rush to take such action. The lower standard of flour having become acceptable millers have been under no pressure to re-establish a higher one. There seems to have been a good deal of apprehension that if they should advance flour standards, they would be placing themselves in a vulnerable position if Canada should again hold out for high wheat premiums.

To some extent the situation appears to have been corrected in Great Britain, where millers are using Canadian flour more generously than up to a few months ago. But reports received this week from Dutch and Belgian markets comment on the fact that millers have been buying Portuguese and Balkan wheat, much inferior in quality to Canadian, at a very small differential in price.

* * *

U. S. Crops

UNITED STATES winter wheat condition continues to be one of the most important influences in the international wheat price structure. Almost daily reports of deterioration and of increased abandonment of acreage have been coming out since the beginning of the growing season. It begins to be possible this year's winter wheat crop may not greatly exceed the 430 million bushels produced last year.

Spring wheat production is almost certain to be above the 90 million bushels of 1936. Nothing except a repetition of last year's rust epidemic could be expected to bring this year's production so low. Spring wheat states are somewhat deficient in sub-soil moisture, seeding has been delayed, and much poor seed has been used. Consequently a total production of 200 million may easily represent the outside limit. If that is added to a winter wheat production of no more than 450 million bushels, the total of 650 millions would represent only a normal year's requirements. Such would keep United States wheat from being exported on a commercial basis.

* * *

How Long Will U. S. Buy?

IT STILL remains unlikely that Canada will be able to continue exporting wheat to the United States during another crop year. But whether such exports will be shut off in June, when new crop wheat in the south begins to be available, or whether it will continue up to the first of September, awaiting the advent at eastern mills of new spring wheat from the northwestern states is still an open question.

DIVIDEND NOTICES

Montreal Tramways Company

ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Shareholders of MONTREAL TRAMWAYS COMPANY will be held at the Head Office of the Company, Tramways Building, 159 Craig Street West, Montreal, on Monday, the 27th day of April, 1936, at 12.00 o'clock noon.

This meeting will be held for the purpose of receiving and considering the Annual Report and Financial Statements, for the election of Directors, the appointment of Auditors, and for such other business as may properly come before said meeting.

The Transfer Books will be closed from the 7th day of April, 1936, to the 26th day of April, 1936, both days inclusive.

By Orders of the Board,

PATRICK DUBEE,
Secretary-Treasurer.

Montreal, March 16th, 1936.

The Canadian Bank of Commerce

Dividend No. 197

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st May, 1936, and that the same will be payable at the Bank and its Branches on and after Monday, 1st June next, to shareholders of record at the close of business on the 30th April, 1936. The Transfer Books will not be closed.

By Order of the Board.

S. H. LOGAN,
General Manager.

Toronto, 17th April, 1936.

The Bank of Toronto

Dividend No. 219

Notice is hereby given that a **Dividend of Two and One-Half** per cent upon the paid-up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its Branches on and after the first day of June next, to shareholders of record on May fifteenth, 1936.

By Order of the Board.

H. B. HENWOOD,
General Manager.

Toronto, April 15th, 1936.

San Antonio Gold Mines Limited

Interim Dividend Number Five

Notice is hereby given that a dividend of seven cents (7c) a share on the outstanding capital stock of the company has been declared, payable April 30th, 1936, to shareholders of record at the close of business on the 23rd day of April, 1936.

By Order of the Board.

M. SNYDER,
Secretary.

Winnipeg, April 15, 1936.

McIntyre Porcupine Mines

LIMITED
(No Personal Liability)
DIVIDEND NO. 70

Notice is hereby given that a dividend of ten per cent (10%) on the Company's Capital Stock, will be paid in New York funds on June 1, 1936, to shareholders of record at the close of business on May 1, 1936.

By Order of the Board,

BALMER NEILLY,
Treasurer.

Dated at Toronto, April 16, 1936.

DIVIDEND NOTICES

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share has been declared on the No Par Value Shares of this Company for the Quarter ending 30th April, 1936, payable 15th May, 1936, to Shareholders of record at the close of business on the 30th April, 1936.

By Order of the Board.

F. W. EVENS,
Secretary.

Montreal, Que., 21st April, 1936.

The Royal Bank of Canada

DIVIDEND NO. 195

NOTICE is hereby given that a dividend of two per cent. (being at the rate of eight per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Monday, the first day of June next, to shareholders of record at the close of business on the 30th day of April, 1936.

By order of the Board.

S. G. DOBSON,
General Manager

Montreal, Que., April 14, 1936.

Quebec Power Company

Notice is hereby given that a dividend of Twenty-five cents (25c) per share has been declared on the no par value common shares of the Company for the quarter ended March 31st, payable May 15th, to shareholders of record April 24th, 1936.

By Order of the Board,

JAMES WILSON,
Secretary.

Montreal, April 14, 1936.

The Shawinigan Water and Power Company

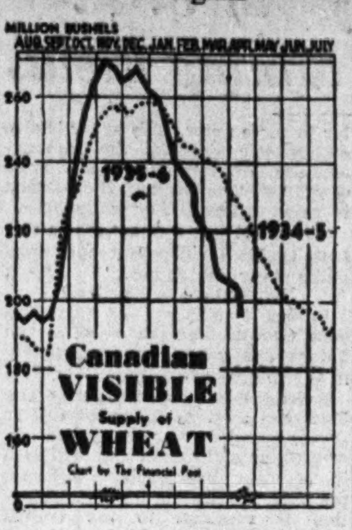
Notice is hereby given that a dividend of Fifteen (15c) cents per share has been declared on the no par value common shares of the Company for the quarter ended March 31st, payable May 15th, to shareholders of record April 24th, 1936.

By Order of the Board,

JAMES WILSON,
Secretary.

Montreal, April 15, 1936.

Slow Again



Canadian visible stocks of wheat in marketable positions declined less than 3 million bushels last week. Movement has been offset by heavier country deliveries combined with smaller sales. On the other hand actual clearances moved up slightly. The opening of navigation and also withdrawals by farmers for seeding purposes is expected to speed up movement this month and next.

Details are as follows:

Canadian Visible

Week of April. 17	Week previous	Last year
197,768,000	200,349,000	222,134,000
Export Clearances‡		
2,819,796	2,073,875	2,359,360

‡Plus U. S. imports.

Wheat Exports Best in Years

While export prices of wheat slipped a few cents per bushel in March as compared with the same month a year ago, due to a gain of 4 million bushels in volume, total receipts were very much higher.

For the year ended March, 1936, total exports of 180 million bushels were the best since 1933. With an average price of 83 cents, value of this export has been the highest in over five years.

Details as supplied by the Dominion Bureau of Statistics are as follows:

Exports of Wheat

March	Bushels	Value $	Average export price $
1933	14,815,705	7,540,328	.51
1934	10,103,240	6,945,136	.69
1935	8,906,379	7,457,828	.84
1936	13,146,185	10,239,260	.78
12 mos. ended March 31:			
1933	239,373,255	130,546,365	.55
1934	175,534,255	118,989,445	.68
1935	165,701,983	132,441,685	.80
1936	179,124,180	148,576,885	.83

Sees Opportunity Now To Sell Surplus Wheat

Next Few Months Will Tell Story, Says C. H. G. Short

NEW CROPS A FACTOR

The next few months are undoubtedly Canada's opportunity for liquidating surplus wheat holdings, in the opinion of C. H. G. Short, general manager of Lake of the Woods Milling Co., who has just returned from a trip to Great Britain. Depending upon the indicated size of the 1936 crops, Mr. Short believes Canada has an opportunity between now and next fall of reducing her present carry-over of around 200 million bushels to about 130 million. If she does this, Mr. Short thinks the Wheat Board will have performed a very efficient service.

Depends on New Crops

But crops now coming along in the southern States and later on seeding of spring wheat in the northern States and Canada, he thinks, will materially affect sales. If these crops indicate a large harvest, then British and other European buyers may decide they can get cheaper supplies later and will continue their hand-to-mouth policy. If, on the other hand, these new crops promise short returns, sales of carry-over wheat in the immediate future would be accelerated.

Good Position

The present statistical position of Canada, Mr. Short believes, with carry-over stocks materially lower in Australia and the Argentine than a year ago, leaves Canada in an unusually favorable position.

As other factors that may have a bearing on the outlook this season, Mr. Short cites the possibility of hostilities in Europe. In this case, he intimates that importing of wheat might be greatly stimulated in order to build up food reserves against threats of war and possible embargoes.

Oriental Buying

"Canadian prospects of selling could be materially improved," he adds, "if and when the long-awaited demand for Australian wheat comes from the Orient, although it should be noted that this demand, anxiously awaited since November, has not yet eventuated, and may not eventuate."

Mr. Short agrees with the recently expressed opinion of The Financial Post that the problem of Canada's wheat marketing is one that does far beyond the present crop season. "It is a problem," he says, "that has to be kept high on the list of our national questions awaiting solution unless we are resigned to a continuation indefinitely of a situation in which, fatuously, we hope and trust that Providence will treat Canada in a discriminatory fashion at all times to the detriment and disadvantage of other wheat-producing countries.

Flour Helps Wheat

"I am convinced that, in the future, quality at a reasonable premium is going to carry greater weight with the consumer in the United Kingdom. For this reason it is essential that Canadian flour shall continue to enjoy free and unrestricted entrance into the United Kingdom, inasmuch as it is the only medium through which the wheat producer can find assurance that the quality stand in the United Kingdom is maintained, thereby, in turn, maintaining the demand for Canadian wheat."

New Wheat

General work on the land throughout the Prairie provinces in Canada is not expected to start much before the first week in May, except of course in southern districts where, given dry, warm weather, operations are already reported under way. Favorable soil moisture conditions are reported, though seed supply is occasioning considerable difficulty in former rusted and frosted areas. These embrace the greater part of Manitoba, Eastern Saskatchewan and Northern Alberta.

* * *

Still critical conditions are reported from the Southern American wheat belt, where normally one-third of the total United States winter wheat crop is produced. In the last week rain has brought some relief. As a result of the very dry spring in that area, a big crop is now considered out of the question.

* * *

Wheat crops throughout Europe generally are reported to be in a none too satisfactory condition.

The weather in the spring wheat sections of the Northwestern United States is reported more favorable where work is gradually getting under way on the land.

* * *

The area seeded to winter wheat in the United States last fall was the largest since 1928, but abandonment due to unfavorable weather conditions is expected to be much above normal. Area seeded is over 47.5 million acres, and early estimate of abandonment is over 12.12 per cent. It is considered quite possible that this percentage of abandonment will be much higher when final appraisals are made.

Flour Business Slips in March

Volume Under 1935 But Value Substantially Higher

For the third month since the beginning of the present crop year, August 1 last, flour exports from Canada have shown a decline as compared with the same month a year ago. March total shipments of almost 477,000 barrels, while much ahead of February, were about 20,000 barrels below March, 1935.

Nevertheless, the total for the eight months of the current crop year to date is still ahead of the corresponding period last year. This is due largely to the substantial gains made in October, November and December.

Values have been running considerably higher this year. The average export price per barrel in March is estimated by the Dominion Bureau of Statistics at $4.18, as compared with $3.75 a year ago. Total export for March, despite the slight decrease in volume, was valued at almost $2 millions, or more than $100,000 better than March, 1935. Actual figures were $1,991,684 as compared with $1,867,903 for March, 1935.

Since March, 1933, the average export price per barrel for a 12-month period has risen from $3.22 to $3.99.

Wheat Flour Exports

	1935-36 (bbls.)	1934-35 (bbls.)
August	376,562	412,089
September	395,640	369,320
October	501,442	485,549
November	525,363	504,384
December	443,828	340,751
January	314,311	346,099
February	340,102	309,729
March	476,773	497,468
Total	3,373,986	3,265,387

Australia May Increase Wheat

Flour Taxes Discontinued as Grain Prices Higher

Buoyancy of customs receipts is believed the reason for the decision of the Australian government to discontinue collection of flour taxes. Such collections, apparently, were used to supplement wheat prices received by the growers.

"While the amount of assistance to be afforded to wheat growers during the current fiscal year will not be reduced," states the Australian news edition of the Empire Press Union, "the decision is important as an indication that the rise in prices has placed wheat growers once again on a self-supporting basis. A reversal of the downward trend in the acreage sown to wheat is likely to follow the improved position of the industry, though it is doubtful whether world conditions are such that larger sowings in Australia are desirable."

And so, it would appear from an acreage standpoint at least, Canada may expect to face growing competition from Australian wheat in the immediate future.

Flour Exports

Flour production in Canada for February, 1936, amounted to 1,019,017 barrels compared with 941,417 barrels for the same month last year. This was an increase over the previous month's grind and the same trend was reflected in the exports.

Agricultural Returns Show Small Variation

Gross Wealth 1935 Now Estimated Only Slightly Above Previous Year — Ontario and Saskatchewan Gain

Gross annual agricultural revenue of Canada for 1935 is now estimated by the Dominion Bureau of Statistics as slightly higher than 1934. But the difference is under half a million dollars. The estimates, it is pointed out, are preliminary, and may be subject to later revision. In 1934, for instance, the values of dairy products, fruits and vegetables, poultry and eggs, and fur farming were all revised upward, although some reduction was recorded over preliminary estimates in other lines.

No allowance is made in the calculations for the portions of the crops used for seed and the feeding of livestock.

Eastern Provinces

Practically no change from 1934 is noted in the figures covering the Maritime provinces. Quebec is down over $7 millions, all on account of the smaller crops harvested in that province last year. In returns from livestock and dairy products, the revenue was higher than in 1934, but a decline of almost $15 millions in field crops more than offset the other gains.

Ontario is credited with a gross agricultural revenue of over $313 millions or almost $9 millions ahead of 1934. There was a decline here also in field crops, but sharp gains in livestock, dairy products, tobaccos and fruit and vegetables.

Western Crops Down

Rust in Manitoba seriously hit the revenue from field crops there, the total for these dropping from $50 millions in 1934 to under $33 millions in 1935. Total agricultural revenue was down almost $14 millions, despite moderate gains in receipts from livestock and dairy products.

Saskatchewan fared much better with a gain in the revenue from field crops, bringing the total from $132 millions in 1934 to almost $155 millions. Like Manitoba, Alberta suffered a serious decline in the revenue from field crops, a drop of almost $14 millions being reported, and this in turn was more than the substantial gain in revenue from livestock. British Columbia's agricultural revenue was about $1 million higher, field crops and fruit and vegetables being higher but dairy products being down.

Total gross annual agricultural revenue for Canada and by provinces is reported as follows:

Gross Agricultural Revenue

Dominion of Canada	1935	1934
Field crops	506,614,000	549,080,000
Livestock	120,078,000	99,438,000
Wool	2,232,000	1,899,000
Dairy products ...	191,496,000	183,791,000
Fruits & vegetables	49,788,000	43,531,000
Poultry & eggs ..	50,434,000	45,515,000
Fur farming	4,122,000	4,534,000
Maple products ...	3,522,000	3,040,000
Tobacco	10,763,000	7,232,000
Flax fibre	321,000	250,000
Clover & grass seed	1,686,000	2,010,000
Honey	2,025,000	2,245,000
Total	943,081,000	942,565,000
By Provinces		
P. E. I.	12,397,000	12,997,000
N. S.	27,042,000	26,056,000
N. B.	25,278,000	24,861,000
Que.	174,758,000	182,075,000
Ont.	313,077,000	304,277,000
Man.	56,530,000	71,418,000
Sask.	154,896,000	132,154,000
Alta.	141,093,000	151,404,000
B. C.	38,010,000	36,873,000

Reports Grow Britain To Have Wheat Reserve

From Our Own Correspondent

WINNIPEG.—The notion that the British Government is planning to build up a wheat reserve in that country is gaining ground, reports regarding tentative negotiations between the British Government and the Canadian Wheat Board for a considerable quantity of wheat. It is interesting to recall that the highest prices ever realized for Canadian wheat were obtained during the early summer months of 1920, when the British Government became alarmed about food supplies, it proceeded to lay in extra stocks of wheat, for which up to $4. a bushel was paid.

Statements that Great Britain is carrying only a 10-day supply of wheat are true only in a restricted sense. Roughly speaking, it applies to port stocks available for sale. These may be described as Great Britain's visible supply. But that takes no account of English grown wheat on farms, of wheat or flour stocks carried in mills, or of flour which bakers and housewives are carrying. It would take a period much longer than 10 days to exhaust such stocks. However, these invisible stocks are smaller than they might be, owing to a hand to mouth flour buying policy that has been pursued in recent years. Some observers believe that there is greater possibility of useful action in getting the invisible stocks built up than by the government attempting to accumulate reserves in port elevators. There is nothing like a belief that higher prices are on the way to stimulate action in that direction.

Apples Yield More in 1935

Nova Scotia's 1935 apple crop, although 15 per cent lower than the crop of 1934, brought returns of about $4,250,000, or more than $1,- year.

The Canadian Foreign Investment Corporation Limited

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of THE CANADIAN FOREIGN INVESTMENT CORPORATION LIMITED will be held in the Assembly Room, Royal Bank of Canada Building, 360 St. James Street West, Montreal, Canada, on Thursday, the 25th day of June, 1936, at the hour of 2.30 o'clock of the afternoon (Daylight Saving Time).

AND NOTICE IS FURTHER GIVEN that immediately following the said Annual Meeting a Special General Meeting of the Shareholders will be held for the purpose of considering and, if deemed advisable, sanctioning a Special By-Law "E" enacted by the Directors providing that the Directors may elect, from time to time, from their number an Executive Committee consisting of such number of members (not less than three) as the Board may, by resolution, determine and prescribing the functions and powers of such Executive Committee.

By Order of the Board.

R. J. B. STOKES, Secretary-Treasurer.

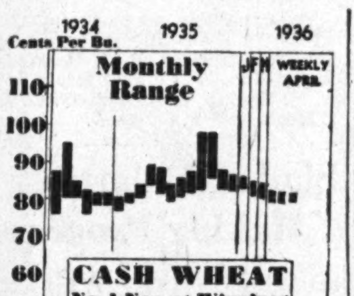
Montreal, 16th April, 1936.

Dominion Engineering Signs More Business

From Our Own Correspondent

MONTREAL. — Dominion Engineering Works' new business over the last year shows a progressive increase, amounting to 17 per cent of the year's total in the first quarter, 18½ per cent in the second quarter, 31 per cent in the third quarter and 33½ per cent in the fourth quarter, according to a statement made by G. H. Duggan, president, at the annual meeting of shareholders. Mr. Duggan added that business during the first quarter of 1936 was approximately equal to that obtained in the last quarter of 1935.

Wheat Prices



(Cash Quotations)

At Winnipeg:	For Week Apr. 21 High $	Low $	Prev. Week High $	Low $
1 Man. Hard ...	.85⅛	.82½	.81⅞	.80¾
1 Northern	.83¼	.81	.80½	.79⅛
2 Nortnern	.80⅞	.78¾	.78¼	.77¼
3 Northern	.77⅜	.74¾	.74⅜	.73¼
4 Northern	.73⅞	.71⅝	.71¼	.70
5 Wheat	.67⅝	.65	.64⅛	.62½
6 Wheat	.55⅝	.53	.52⅛	.51¼
Feed Wheat	.48⅝	.46½	.45⅛	.44¼
Vancouver: Week to April 17:				
1 Northern	.80¾	.78⅛	.78½	.76⅞

Competitive Export Prices:
(April-May) shipment.

	High Week to Apr. 17	Low
No. 1 North. (Vanc.) ...	0.96⅝	0.95½
No. 2 North. (Atlan.)...	0.93⅛	0.92⅝
No. 2 North. (Vanc.) ...	0.95½	0.94⅜
Argentine Rosafe	unquoted	
Do., Barusso	unquoted	
Australian (Afloat)	0.94¾	0.93¾
Australian	0.96¼	0.95¼
French	0.81½	0.81½

Winnipeg Grain Futures

Week to April 21, 1936

Crop year from Aug. 1, 1935 High	Low		Open Apr. 15	High for week	Low for week	Close Apr. 21
		Wheat				
1.02¼	.78½	May	.81⅛	.84	.80⅝	.82¼
.92⅞	.79½	July	.81⅞	.84⅞	.81½	.83⅛
.89	.80	Oct.	.82¾	.85⅞	.82½	.84⅜
		Oats				
.35⅝	.29⅝	May	.31¾	.32	.31⅛	.31½
.33⅜	.30	July	.32⅛	.32½	.31⅜	.31⅞
.31⅞	.30⅛	Oct.	.31½	.31⅞	.31¼	.31⅜
		Barley				
.42½	.34⅝	May	.39	.39	.38⅜	.38½
.40¼	.35⅝	July	.39	.39⅜	.38⅜	.39
		Flax				
1.65	1.33	May	1.51	1.56	1.50¾	1.52
1.63	1.40¼	July	1.49⅝	1.53⅞	1.49¼	1.49½
1.47¼	1.46½	Oct.	......	1.49½	1.46½	1.48
		Rye				
.51⅞	.40⅞	May	.42⅞	.43⅝	.42⅛	.42⅜
.48½	.41⅞	July	.44¼	.44¾	.43⅜	.43½
.49	.43⅝	Oct.	.45⅞	.46½	.45⅛	.45½

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$35 Gold Still "Cream"

Record of Three Years Shows Senior Canadian Golds Haven't Yet Passed Peak of Earnings

Has $35 gold shot its bolt for the Canadian mining industry?

Will increased operating costs, including taxes, gradually eat into the higher margin of profit made possible by the $35 figure?

In other words, have senior Canadian golds passed the peak of their earnings under the present level of gold prices?

There are those who say they have. Commodity prices are rising, argues this school. Taxes have mounted to staggering levels. The 1934 earnings level was as high as can be expected.

The fact that most of the annual reports for the fiscal year 1935 are now issued makes it possible to look at the record.

Canada, with the rest of the world, has had gold at $35 per ounce for approximately three years. Although President Roosevelt did not announce the United States treasury would purchase gold at $35 per ounce until Jan. 31, 1934, the price level had been steadily climbing months before, with the result that the average monthly price for gold in 1933 was $34.50 per ounce.

Admitting that a three year period is hardly sufficient basis in such cases to attempt a definition of trend, it does allow for an analysis of what is happening at the moment.

Costs Show Decline

An examination of the record of ten representative Canadian senior golds reveals the rather surprising fact that costs, including taxes, have actually declined in the past three years.

As will be seen by the table below, average operating expenses of the ten companies dealt with dropped from $6.30 per ton in 1933 to $5.78 per ton in 1935.

This does not mean that taxing authorities have dealt lightly with the gold producers. It was recently shown in The Financial Post that mining taxes had increased by 488 per cent in the past four years.

The fact that Canadian operators have been able to cut their expenses in the face of this tremendous increase in taxation, speaks well for the efficiency of the industry.

In addition, part of the decrease in costs indicated by the 1935 figures can be traced to the removal of the gold bullion tax, which was payable only during the first five months of the year.

The table below is based on the annual report figures of ten representative companies, and includes such low grade operators as Howey, and high grade producers as Toburn and Kirkland Lake Gold.

With due reservations for circumstances peculiar to individual companies, the table brings out four points of interest and in some cases significance to the gold investing public:

(1) Recovery per ton in the three-year period reached its high mark in 1934.

(2) Operating expenses have declined steadily for the past three years.

(3) Earnings per share hit their high mark in the same year as the recovery per ton, namely, 1934.

(4) Despite lower earnings per share in 1935, dividends were maintained at the 1934 level.

Must Be Qualified

Can any significance be attached to these points?

As is usually the case, if these points are not to be entirely misleading, each has to be qualified extensively.

Some of the general qualifications have already been indicated. In the first place three years is a short period of comparison, but the fact that gold has only been at the present approximate level for about three years precludes a longer study.

The fact that the average recovery per ton decreased slightly in 1935 is, in itself, of doubtful significance. It will be seen from the table that, of the ten companies covered, five actually increased their average recovery per ton, in 1935. Of the five producers showing decreased recovery, one was Teck-Hughes Gold Mines, whose recovery was lowered largely by the policy of treating low grade tailings.

Grade Has Been Lower

Apart altogether from the figures below, however, there has been, over the past four or five years, a tendency to decrease the grade of ore treated in the mill, and increase the number of tons treated. Between 1931 and 1934, seven Ontario dividend paying gold mines increased their tonnage by 25 per cent, and decreased the grade of ore treated by 20 per cent. Hollinger supplies the best example of this policy, having, in the past three years, concentrated on the upper levels of the mines, where tremendous tonnages of ore, unprofitable at $20.67 gold, was found to be profitable under higher prices.

It is obvious this low grade trend cannot go on indefinitely. While low grade material will still be profitable, if gold maintains its present price, it seems apparent that sooner or later richer ore bodies will have to be treated, and the grade increased accordingly.

If there is any significance to the figures on recovery per ton of ore treated, it might be that this point has now been reached, and that a similar table, based on 1936 figures, will show an average increase in recovery per ton.

What is the significance in the fact that of the ten companies dealt with seven lowered their operating costs in 1935? Here again, the figures may be slightly misleading because exploration of outside properties is not included in the costs shown, and higher gold prices have induced many Canadian operators to undertake the search for and development of other properties throughout Canada. This, incidentally, appears to be one reason why earnings per share have declined, despite a decline in costs.

Will Profit In Future

This exploration, undertaken as it is by experienced miners, should in time result in profits for the companies concerned, and therefore higher earnings per share.

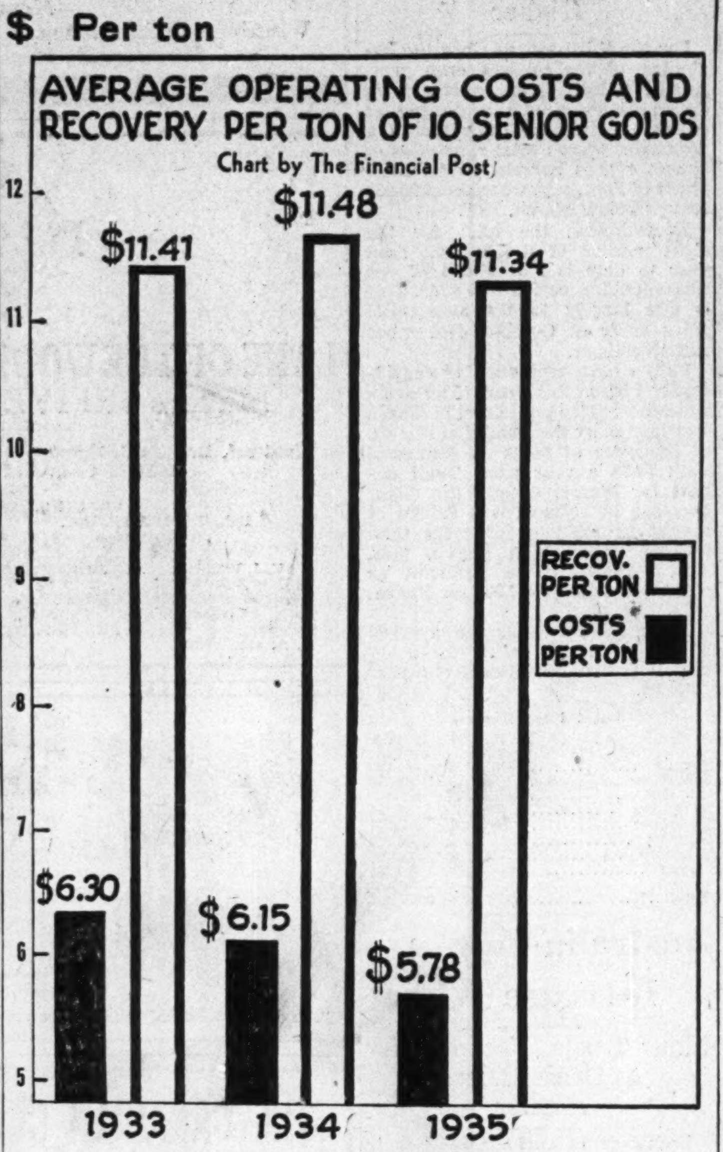
Also, decreased operating costs, in the face of higher taxation, reflect increased efficiency in mining methods. There is no reason to believe that this increasing efficiency cannot be continued. Here again, then, is evidence that the cream of $35 gold has not been skimmed.

The third point indicated by the table below is that earnings per share declined, on the whole, over the 1934 figure. Since the decline in grade is not nearly equal in percentage to the decline in costs, this appear on the surface rather a contradiction. It is partly explained, however, in the fact that exploration of outside properties, as stated above, is not included in operating costs, but is, of course, deducted before net profit is shown.

Another factor is that all during the depression, Canadian mining companies have maintained a high level of wages and salaries, usually at the pre-depression level.

With the return of normal times, other industries which reduced salaries during the slump will find themselves faced with higher labor costs. Such a problem does not face the mining industry.

Out of all these qualifications and factors, one thing seems to emerge fairly clearly. It is that there is no factual indication that Canadian gold mining companies are in for a period of decreased earnings. Contrary to the opinion of those who believe that gold mining stocks have, under $35 gold, lost their lustre, there are tangible reasons for believing that gold mining companies can continue to whittle operating costs, provided they are given "a break" taxwise, and that the cream is by no means entirely skimmed off $35 gold.



PRODUCTION AND EARNINGS RECORD

Company:	Recovery per ton 1933 $	1934 $	1935 $	Operat. expen. per ton 1933 $	1934 $	1935 $	Earnings per share 1933 $	1934 $	1935 $	Dividends per share 1933 $	1934 $	1935 $
Buff. Ankerite	. . .	5.68	6.42	. . .	4.13	4.21	. . .	0.18	0.22*	0.08	0.16	0.20
Dome	8.28	12.78	13.27	4.70	5.41	4.14	3.28	4.07	3.90	1.95	3.50	4.00
Hollinger	7.98	7.36	8.00	4.60	4.27	4.59	1.17	1.32	1.03	0.85	1.40	0.90
Howey	3.98	4.04	3.28	2.27	2.73	1.82	0.03	0.08	0.04	nil	0.10	0.05
Kirkland Lake	10.53	10.81	12.02	7.52	8.10	7.99	0.02	0.03	0.03	nil	0.03	0.03
San Antonio	11.81	11.59	10.97	7.36	6.08	5.40	0.09	0.13	0.20	nil	0.05	0.21
Siscoe Gold	16.78	17.05	15.25	7.25	7.17	7.40	0.19	0.26	0.23	0.14	0.19	0.21
†Teck-Hughes	12.94	12.94	11.83	5.74	5.54	5.17	0.67	0.63	0.49	0.60	0.60	0.40
†Wr.-Hargreaves	12.63	13.07	12.50	7.91	7.27	7.71	0.28	0.70	0.70	0.20	0.55	0.60
Toburn	17.80	19.52	19.94	9.43	10.89	9.43	0.06	0.07	0.11	nil	0.08	0.08
Average	11.41	11.48	11.34	6.30	6.15	5.78	0.64	0.74	0.69	0.63	0.66	0.66

*After merger. †Fiscal year ended Aug. 31, 1935.

Mining Enquiries

Gunnar Gold

What is happening to Gunnar Gold Mines?

Gunnar Gold Mines, which is bringing to production a gold prospect in the Big Rice Lake area of Central Manitoba, recently reported favorable development results. The company plans to start its 150-ton mill in operation some time this month, and reports that assured ore reserves are sufficient to supply the mill for two years and average $14 to $15 gold per ton. Of the 100,000 tons of ore proved, about 85,000 have been blocked out.

The shaft is now being deepened to 1,000 ft., and a station is being cut at the 875-ft. level. As a result the company will have two more levels on which lateral development can be carried out. This proposition appears at the present time to have interesting speculative possibilities.

Red Lake Gold Shore

I am one of those who believe in watching properties rather than markets, and would like to know if the activity behind Red Lake Gold Shore stock is the result of real developments at the property, or merely market play.

In development work down to the 550-ft. level, Red Lake Gold Shore Mines has met with continued success, current indication being that the ore bodies gain in width. Based on work done on the main vein, ore has been estimated at 45,150 tons grading .66, and in addition approximately 6,700 tons of possible ore. Increased width on the bottom levels will, of course, substantially augment this estimate. Mill machinery for a 125-ton unit is now being assembled and will shortly be shipped to the property. It is expected the mill will be ready for production some time in August.

You can see from these facts that there has been some real property activity behind the market.

Leitch & Springer Sturgeon

I am rather doubtful as to the relationship between Leitch Gold and Springer Sturgeon. Why is Leitch stock selling so much higher than Springer Sturgeon? Will holders of Springer Sturgeon stock receive the same dividend as holders of Leitch stock? What do you think of Leitch?

The chief investment interest in Springer Sturgeon Gold Mines is in its 177,500 shares of Leitch Gold and 600,000 shares of Amorada Gold Mines. On the Leitch property, the annual report of Springer Sturgeon recently stated an ore shoot has been developed 226 ft. long with an average width of 15.25 inches, and an average value of $36.40 per ton. This development, along with development in the so-called No. 2 section of the property, is making Leitch a popular market favorite at the present time.

The reason that Leitch stock is selling so much higher than Springer Sturgeon is, of course, because Springer Sturgeon has only a part interest in the Leitch development. Its other investment, Amorada, is still an unproved speculation. A major discovery or other important development on either the Amorada or Leitch property should, of course, be reflected in the Springer Sturgeon stock.

It is still early to talk of dividends on the Leitch stock, since the company has not yet brought its property into production. However, if and when dividends are paid by Leitch, Springer Sturgeon will receive dividends on its 177,500 shares. These dividends will have to be spread over the 1,650,000 shares of Springer Sturgeon stock issued, so that you can see that holders of Springer Sturgeon shares will not, of course, receive the same per share dividend as the holders of Leitch. All this, of course, is on an "if" basis, as Leitch, while a healthy looking prospect, is still a long way from the dividend class

Wayside Consolidated

What is your view of Wayside Consolidated as an investment? Would you consider that it had an assured future?

The mill at Wayside Consolidated Gold Mines was placed in operation in November, 1934. At December 10, 1935, ore reserves consisted of one year's assured ore with a probable additional year's ore.

These reserves are lower than those usually considered necessary before a company starts production. The fact that a year after this company's mill was put in operation, ore reserves have not reached more than one year's figure, cannot inspire much particular faith in this speculation. In addition, the background of the company has, as you know, been marred by internal friction. Two of the most outstanding engineers on this continent, Arthur Notman and Colonel H. H. Yuill, have both recommended that development work be suspended. Colonel Yuill did, however, recommend a survey of the undeveloped part of the property. Based on this recommendation, directors decided to construct a pilot mill which was placed in operation about the middle of November. Production for January, 1936, was valued at approximately $45,000, while February production was $27,000. Until more extensive development has been carried out and ore reserves proved, the future of this property cannot be considered assured.

Bidgood Fight Is Not Closed By Vote Count

Opposing Group to Carry Fight Further, Post Learns

MEETING BITTER

Storms which have been breaking over the affairs of Bidgood Kirkland Gold Mines for the past two months have by no means been quieted by the result of the meeting held in Toronto recently, at which the old board of directors was reinstated, The Financial Post learns.

Members of the group who have strenuously opposed granting options at low prices to the president and secretary, do not intend to take the re-instatement of these two men without a fight, The Post was told.

At press time, the line of action of the dissenting group, which is known to be powerful, has not been determined, consultation between this group of shareholders and legal counsel still continuing.

At the meeting in Toronto, which was an adjournment from a meeting held at Kirkland Lake, Frederick G. Gardiner, scrutineer for the majority report, gave the majority vote to the so-called Herbert-Knutson faction, and carried all proposals, including election of directors, appointment of auditors, and options on shares.

Mr. Gardiner's findings were based on a technicality, namely that the opposing faction, headed by R. J. Neelands and W. Lawson, had used a proxy as provided by the Dominion Companies Act, instead of for a company holding, as does Bidgood Kirkland, a province of Ontario charter. As a result of this technicality, the majority report disallowed 1,167,178 shares voted by the Neelands-Lawson group. For other reasons the Herbert-Knutson faction lost 183,208 votes.

Legal Opinions Quoted

The minority report of the scrutineers was presented by S. Taylor, whose decision favored the Neelands-Lawson slate, with approximately 1,750,000 votes against 1,116,000 for the Herbert-Knutson group.

Legal opinions for and against were quoted liberally, Fred McBrien ending discussion by stating that he accepted the majority report of the scrutineers. Mr. MacBrien had previously been named president of Bidgood, A. L. Herbert stepping down to vice-president.

The successful slate named the following directors: O. L. Knutson, H. F. Parkinson, A. E. Belcher, Robert Crawford, N. W. Byrne, Ambrose Murphy, and A. L. Herbert.

The bitter dissension which has cleft shareholders of Bidgood Kirkland into two camps, burst into life after J. M. Godfrey, Ontario securities commissioner, made public a statement in which he criticised the action of Herbert and Byrne in granting themselves options on 100,000 shares each of Bidgood stock at five cents per share. In the majority report presented to shareholders, these options had been reduced to 30,000 shares each.

Dr. R. J. Neelands energetically opposed these options, and, with his associates, obtained a court order restraining Herbert from voting the 100,000 shares held in his name.

The meeting in Toronto, which was one of the bitterest seen in some time, appears to have clarified the situation but little, since the opposition has stated to The Post its intention of carrying the fight still further.

The opposition group, as contained in the rival slate supported by Taylor, comprised, R. J. Neelands, W. Lawson, J. Maitland MacIntosh, A. H. Walker, F. R. Ramsay, G. D. O'Meara, and F. N. Rosar.

Sladen Malartic Making Progress

Ground Work Well in Hand — Power Available—New Drilling

From Our Own Correspondent

MONTREAL. — All mining and electric equipment and freight arrived at the Sladen Malartic property during March and continued progress has been made in its installation, according to a progress report issued by Andrew Walz, consulting engineer.

At the end of March, Northern Quebec Power, subsidiary of Canada Northern Power, made delivery of power and the camp is now supplied with lighting facilities and power for miscellaneous uses. The hoist and compressor are expected to be ready for operation this week, when the sinking of the shaft will be resumed with power.

All buildings have been completed including the hoist and compressor house, blacksmith and machine shop. Erection of the 60-foot head frame is now under way and will be completed shortly.

Diamond drilling on the east boundary of the Sladen property will be undertaken shortly and in the event that surface disclosures in the south section continue favorable, drilling also will be done there.

Vanson Manitoba Votes To Keep Treasury Intact

From Our Own Correspondent

WINNIPEG.—Shareholders of Vanson Manitoba Gold Mines decided at the annual meeting here April 15 to hold their treasury intact and also their shares in Gold Lake Mines Limited. In the latter company Vanson now holds 129,200 shares while it has in its treasury $7,189, and accounts receivable of $691. Cash value therefore for the 1,587,341 shares of Vanson outstanding is approximately half a cent per share plus whatever value may accrue from Gold Lake holdings, currently quoted around 40 cents per share.

Discussion raged at the meeting as to whether the company should be wound up and assets distributed, or maintained, the latter view eventually prevailing. Directors were all re-elected.

More "Publicity" in U. K. For Canadian Mining Fields

In a recent issue, Investors' Chronicle and Money Market Review, well-established English financial journal, reports the arrival in England of large quantities of "The Canadian Gold Gazette."

The paper which is published in Montreal has been in many cases issued to fictitious addresses in England. Distribution, of course, is free.

"It is safe to assume," comments the Investors' Chronicle, "from some of the contents of the Canadian Gold Gazette that its advent may be preliminary to share selling efforts. For instance, it adopts a most benevolent attitude toward Kirkland Gold Rand, a company whose shares have been marketed by unsatisfactory methods in this country, and in circumstances which cause us to deal with the matter in these notes. The paper is also enthusiastic regarding the Chibougamau mining district in the interior of Quebec. The territory is described in glowing terms. For example:

"'It is not just a mine; it is a colossal gold development that will make many gold mines.'"

Not Known in Montreal

Rather ironically, the Canadian Gold Gazette describes itself as "an independent paper published weekly in the interests of authenticity."

Extensive enquires made by The Financial Post in Montreal fail to reveal the address of the publication, or the names of those connected with it. Montreal brokers have not seen the paper, indicating that its circulation is confined to the United Kingdom.

Bralorne Ore Cash Reserves Lot Improved

Earnings Per Share Reflect Result of Lean Era

Although earnings of Bralorne Mines, Bridge River, B.C., producer, declined in 1935 to about 40 cents per share, from 80 cents per share in 1934, the company greatly strengthened its working capital position, and increased ore reserves annual report shows.

As a result of this improved condition, directors have declared a dividend of 10 cents per share and an extra of five cents per share for the first quarter of 1936. Bralorne passed its dividend last June, due to increases in the payroll, caused by the strike, and to the fact that at the time the company's mill was treating lower grade ore.

In the balance sheet, the merger with Bradian mines is reflected, total issued capitalization being 1,240,000 shares as compared with one million previously issued. This increase in outstanding capitalization, of course, reduces the per share earnings accordingly.

Current assets as at Dec. 31, 1935, amounted to $1,060,979, against current liabilities of $215,665. This leaves a working capital position of $845,314 as compared with working capital of $143,128 last year.

Total developed and probable ore, as at March 31, 1936, in the three Bralorne mines totalled 575,000 tons with an average grade of 0.39 ounces per ton.

During the year, Bralorne's rate of production was increased from 10,500 to over 14,000 tons of ore per month. The most spectacular development of the year was the development of the Ida May vein.

The reduced net profit, as shown in the comparative tables below, is the result of the period of lean grade encountered between May and August, 1935. This condition was found in the King vein. Capital expenditure was also comparatively heavy during the year. With the development of the higher grade ore bodies, officials believe that larger earnings will be enjoyed.

Income and Surplus Account
Years Ended December 31

	1935 $	1934 $
Rev. from bullion	1,616,158	1,580,324
Less: Production costs	554,090	361,047
Ship. & delivery	63,333	58,598
	998,735	1,165,679
Add: Misc. income	31,130	53,163
Gross profit	1,029,865	1,218,842
Less: Admin., office & gen. expen.	29,853	23,228
Deprec.	130,000	50,000
Depletion	220,000	180,000
Taxes	150,000	165,000
Net profit	500,012	800,614
Less: Dividends	150,000	775,000
Surplus for year	350,012	25,614
Add: Previous surplus	382,373	356,759
	732,385	382,373
Income tax adjust.	24,064	......
Balance forward	708,321	382,373
Earnings per Share & Dividend Record:		
Earned	$0.40	$0.80
Paid	0.30	0.77½
Shares Outstanding	1,240,000	1,000,000

Dr. J. F. Wright Joins Flin Flon Gold Board

From Our Own Correspondent

WINNIPEG.—Dr. J. F. Wright has been added to the board of directors of Flin Flon Gold Mining Syndicate Ltd. Dr. Wright has just returned from the property three miles southwest of the town of Flin Flon where he made a thorough examination of the development work completed since the first of the year on the second and third levels.

Athabaska Hears Of New Discovery

Report Find South of Beaverlodge Area Promising

From Our Own Correspondent

REGINA.—Leading mining companies of the Athabaska field are closely watching reports of a new discovery in Clearwater River district, north of Clear Lake about 200 miles northwest of Prince Albert. The Athabaska field is about 400 miles northwest of Prince Albert.

Promising samples are reported to have been brought out by G. Forcier, who has been prospecting in that vicinity for the last two years. If his samples show real values, major companies are reported ready to send in their own men to look over the region.

The Athabaska field is shaping up for a busy summer and it is likely two or three companies will have their ore bodies blocked out by August. Athona has reached its main body and is now working along it. The shaft is down 145 ft. and a drift at the 125-ft. level has gone 750 ft. Development is being continued into what appears to be the main ore body.

Athona's other property, the Greenlee, formerly Lee-Greenlaw has 17 men at work and diamond drilling on No. 1 hole is down 200 ft. with good showings of free gold. No. 2 hole is down 90 ft. about 100 ft. south of No. 1 and is also showing free gold.

Bulolo Gold Dredging Returns Lower in March

MONTREAL.—Bulolo Gold Dredging report gold production in March of 11,203 ounces, compared with 9,432 ounces in February and 11,521 ounces in March, 1935. During the month 955,800 cubic yards of gravel were dredged, as against 902,100 cubic yards in the previous month and 919,000 cubic yards in March last year.

Estimated net working profit last month was shown at 8,029 ounces, equivalent to $281,015 with gold calculated at $35 an ounce in Canadian funds. In February net working profit was estimated at $225,470, and in March a year ago at $289,975.

Dwyer Elbow Lake Drill Cuts Interesting Zones

Two drill holes sunk on the Century group of Dwyer Elbow Lake Mining Syndicate cut two wide veins well mineralized, Alex Stuart, field superintendent reports. These holes were west of the shaft. Two holes drilled east of the shaft cut a quartz vein and at greater depth cut through seven feet of mixed quartz with the appearance of good values. These results are being followed up with further drilling to the south, and it is also planned to extend drilling later toward the north.

Issue Three New Maps Of Great Bear District

The Geological Survey, Department of Mines, Ottawa, has issued a series of three maps showing the geology of a 250-mile strip of territory extending from Rae on Great Slave Lake to the mouth of Camsell River on Great Bear Lake. Publication of the three maps, together with other maps and reports to be issued by the department during the past several months, provides a comprehensive picture of the geology of practically all areas being actively prospected and developed in the North West Territories. Copies of the maps may be obtained from the Director, Bureau of Economic Geology, Department of Mines, Ottawa.

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Customs Mill For Minto Area

Bridge River Reduction Co. Granted Incorporation Papers

Incorporation papers have been granted to the Bridge River Reduction Co. which will establish a customs mill and reduction plant at Minto City, Bridge River district, British Columbia.

The ores here differ from those in the Pioneer end of the district and call for different treatment. High freight costs have made it unprofitable to ship any except the high-grade ores to Trail or Tacoma for treatment. It is felt that the building of this customs mill and reduction plant will make it possible for several mines in the area to reach production earlier and eliminate the necessity of building individual mills.

Behind this proposition is John A. Hallberg of Minto Mines. Associated with him are W. J. Asseltine, consulting metallurgist; A. G. Larson, consulting engineer for Minto; George Shaw and William Warner, the latter president of Minto Gold Mines.

Alberta Crude Oil

For the first time, government figures on crude oil production in Alberta include 375 barrels of light crude produced by the Terminal well in February. The appearance of Del Bonita in the list of producing fields gave added interest to the report.

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The Week in Mining

Market Twiddles Thumb Awaiting Budget News

Can't Be Bothered With Rise in Silver — Bralorne's Dividend Policy

It does not appear likely that the mining market, as a whole, will get much enjoyment out of life until the federal budget, due in a few weeks, is brought down, tax legislation and all.

The market, in the meantime, is behaving in typical pre-budget fashion, general inertia resulting in gently easing prices. Even the fact that silver advanced three-quarters of a cent an ounce in New York to 45¾ cents per ounce, the highest level for some months, did not arouse traders, and some silver stocks even declined on the news.

Copper stocks, which had advanced slightly on last week's price increase, shared the general lack of enthusiasm, and eased off again.

Nova Scotia's Lesson

IT IS doubtful if the mining industry of Nova Scotia, as well as the rest of Canada, will ever forget the terrible lesson contained in the Moose River tragedy.

From the safety of an office desk it is easy to point a moral, easy but distasteful.

If, however, any good can accrue from the affair, apart from the amazing display of bravery shown by the rescuers, it will probably be along the lines of compelling all mine operators in all parts of Canada, on abandoning a property, to file complete records of underground workings and conditions at the time of abandonment, with the government.

There are, in Ontario, and in the rest of the mineral provinces, many such abandoned mines as that of the Moose River property. With higher gold prices these workings are being, and will be, rehabilitated and brought to life.

If gold were a million dollars an ounce, it would not be worth such tragedies as the Nova Scotia affair, and would still warrant every care to protect human life.

* * *

Barlorne's Policy

THE layman must sometimes wonder why such stress is laid by the initiated investor on the personnel of a mining company.

The experience of Bralorne Mines, the British Columbia producer, during 1935 supplies a typical reason why.

Last May, difficulties started arriving for this company. The 12th level of the King vein proved disappointing. This in conjunction with lean areas encountered in several large stopes, caused a sharp drop in the grade of ore going to the mill. On top of this, the strike in the Bridge River camp added greatly to expenditures, and the company's cash surplus became dangerously low.

Instead of trying to varnish over conditions at the mine, the company's directors told the public just what was happening, and courageously passed the dividend due last July. It was agreed that, on the advice of the company's consulting engineer, Ira B. Joralemon, dividends would not be resumed until the company had net liquid assets of at least $1 million and 500,000 tons of indicated ore.

This objective has now been obtained, and Bralorne is back on its dividend basis, plus a bonus, with the position of the company unimpaired.

Had Bralorne officials acted with less promptness, there might have been another story to tell.

* * *

Mining & Employment

MEMBERS of the British Columbia division of the Canadian Manufacturers Association at the annual meeting in Vancouver recently heard an effective address by Mr. Justice Manson, of the Supreme Court of British Columbia, on the subject of mining and its relation to manufacturing. Buttressing his plea for a national Canadian mining policy with facts and figures, many of which, he stated had been obtained from a recent series published in The Financial Post, Mr. Justice Manson made the statement: "Mining, directly and indirectly, can take every single solitary able bodied man presently unemployed out of unemployment. I make that statement without the slightest reservation . . . Mining can pull Canada out of the financial morass, the provinces out of financial disaster, and put the municipalities back on their feet."

Surely, this statement is of utmost importance to the nation. Mr. Justice Manson is not in any sense of the word a promoter. As a lawyer, his qualifications have taken him to one of the highest positions in the legal profession, and lawyers are trained to weigh their words, and qualify their statements. With this background, the unqualified statement of the British Columbia judge, made, not to mining men, but to manufacturers, assumes even greater significance.

If his statement is true, and it would be a difficult matter to prove it wrong, it provides material for thought on the part of the Ottawa administration which is just now preparing its budget and considering a bill the effect of which would be to merge the departments of the Interior, of Mines, of Immigration, and Colonization, of Indian affairs, and the administration of the Northwest and Yukon Territories, under one head, and possibly, under one deputy minister.

* * *

See Entity at Stake

THE proposal to merge all these departments has aroused no little concern among those who appreciate the vital importance of the mineral industry. The Post understands that the Canadian Institute of Mining & Metallurgy will submit a recommendation that the Department of Mines be maintained under the direction of a deputy minister of mines, qualified by special training and experience to direct the affairs of this important industry.

While no thoughtful Canadian would reprove the government for seeking to reduce the cost of administration, there is such a thing as false economy, and it seems apparent that the suggestion of the C. I. M. M., while leaving the government free to economize in essentials, recognizes the fact that the administration of the many services rendered by the government to the mining industry, requires the full time of one responsible official.

Mining men are getting rather grim enjoyment out of the fact that, if the present bill goes through, and one deputy minister only is appointed to the new department, the fishing industry, with an annual production of about $20 millions, will have a deputy minister of fisheries, while the mining industry, whose annual production has already passed the $300 million mark, and which is expanding rapidly, will have its affairs handled by a man who, no matter how competent, will find a large part of his time occupied in administering the other five or six departments in his charge.

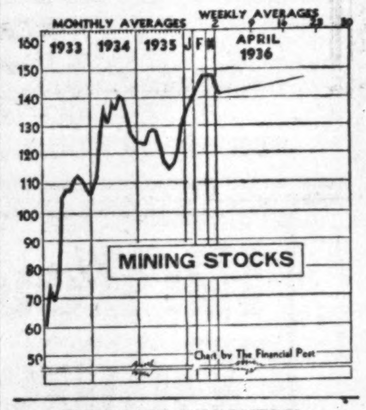
* * *

Index to Mining Stocks

The general index of mining issues mounted from 146.3 for the week of April 9 to 146.8 for the week of April 16. The index for the comparable week in 1935 was 128.9.

Gold prices fluctuated irregularly and the index registered a minor advance for the fourth consecutive week. This index was 122.5 for the week of April 16, as compared with 122.2 for the preceding week and 124.3 for the week of April 18 last year.

Due to the gain in price of Noranda the index of three base metals stocks rose from 245.9 for the week of April 9 to 247.2 for the week of April 16. The index recorded for the corresponding week in 1935 was 151.2.



PERRON'S RECOVERY

During the first two weeks of April, bullion to the value of about $62,000 was shipped to the mint from the Perron Gold Mines, according to a report from J. P. Norrie, general manager. During the period the mill treated 1,829 tons of ore of an average assay of .48 oz. per ton, from which 738.71 oz. gold were recovered.

A $22,000 gold brick was shipped April 3, and a $40,000 brick on April 15.

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Parkhill Grosses $30,300 in March

During March, Parkhill Gold Mines in northwest Quebec milled 1,800 tons, with a gross recovery of $30,300.

For the six months period ended March 31, 1936, the company milled 10,880 tons with a total recovery of $155,350 This makes an average per ton of $14.28, and an average daily tonnage of 59.

The shaft has been sunk to the 12th level, 150 ft. below the 11th, and the station is now being cut. Drifting on the tenth level west is now under way.

Mining Company Reports

Quebec Gold Mining Corp.

Market value of shares held in Pamour Porcupine Mines, and Big Missouri Mines by Quebec Gold Mining Co. had a market value in excess of $4 millions, Gustave H. Rainville, president, states in the annual report of the company recently released.

At Pamour, the mill will be brought into operation at the end of May or early in June, on a 500-ton per day basis. As previously reported, the mill building is large enough to contain equipment for a 1,000-ton daily capacity mill. Quebec Gold Mining Corp. owned 685,348 shares of Pamour at the end of the year, and by April 15 had increased these holdings to 879,848, leaving a balance of 69,500 shares under option.

During the year Quebec Gold exercised an option on 32,500 shares at 50 cents per share of Big Missouri Mines Corp.

The balance sheet of Quebec Gold shows current assets of $26,799 against current liabilities of $425. Of the current assets, $26,399 is in cash. The balance sheet shows 2.5 million shares of the 4 million, $1 par value authorized capitalization issued, and 172,500 shares under option at prices varying from 20 cents to 50 cents per share. This option expires August 1, 1936.

Quebec Gold reports that it holds options on the following blocks of stock:

Options Held

Company	No. of shs.	Price
Pamour Porcupine	214,000	$0.25
Pamour Porcupine	50,000	0.60
Big Missouri	467,500	0.50
Canadian Malartic	47,514	1.00

Profit and loss statement for the year follows:

Profit & Loss Account
(Year Ended Dec. 31)

	1935 $
Interest earned	459
Profit on securities sold	5,965
Total income	6,424
Less: Explor. expense*	1,325
Gen. adminis. expen.	27,557
Net loss for year	22,458
Less: Previous balance	2,596
	19,862
Add: Explor. expen. on claims abandoned	9,722
Securities written off	7,377
Deficit forward	36,961

* Less $3,889, being amount transferred to deferred exploration expenses.

Big Missouri Mines Corp.

Principal interest of Big Missouri Mines Corp., holding company, continues to be its stock and bond interest in Buena Vista Mining Co. the annual report of the company shows.

Expenditures at Buena Vista during 1935 totalled $147,334, of which Big Missouri provided $58,934, representing 40 per cent of the total, and the balance, $88,400 provided by Consolidated Mining & Smelting Co.

The portfolio of the company's investment holdings issued with the report reveals little change in the company's holdings, which, in addition to 200,000 shares of Buena Vista, and $83,000 in bonds, includes shares in Missouri Monarch Consolidated Mines, and in Brooklyn Consolidated Mines, in addition to $10,000 principal amount Black Forest Mining Co. 7 per cent gold notes.

The balance sheet as at Dec. 31, 1935, shows current assets, comprising cash of $6,222 and accounts receivable of $55, totalling $6,277, against current liabilities, consisting of accounts payable, of $225. This leaves a working capital of $6,052, a sharp reduction from the $14,096 shown in the 1934 report.

Of a 5 million share authorized capitalization, par value $1, a total of $3,435,867 shares have been issued. The option on the balance of the stock is at 50 cents per share.

Foothills Oil Reports Net For Year '35

Southwest Pete & Dalhousie Oil Show Loss

IMPERIAL SUBSIDIARIES

From Our Own Correspondent

CALGARY.—Foothills Oil and Gas Co., Imperial Oil subsidiary, reports a net profit for the fiscal year ended Dec. 31, 1935, of $16,057 after paying $1,082 in income taxes and allowing $3,265 for depletion and $9,771 for depreciation. The company had an earned surplus at the end of the year of $6,366, there having been a deficit at the commencement of 1935 of $9,459. A total of 1,462,005 shares have been issued out of a capital of 5 million shares of no par value. There are total current assets of $409,297 while capital assets are given at $1,550,173. Current liabilities are $31,109, advances from Imperial Oil, $272,256, and deferred liabilities of $30,000.

Two Show Losses

Two other Imperial Oil subsidiaries operating in Turner Valley did not make a good showing during the year. In particularly bad condition was the Southwest Petroleum Co. This company reported a loss for the year before providing for depletion of $7,719. A total of $3,456 was allowed for depreciation. The operating deficit balance at the end of 1935 stood at $216,395. Current assets are listed at $772 and capital assets at $609,344. Liabilities include $202,166 advanced from the Foothills Oil and Gas Co., another Imperial subsidiary, and 750,000 shares issued out of a capital of 1,000,000 shares of no par value.

The Dalhousie Oil Co. reported a loss for the year, before providing for depletion, of $4,670. The provision for depreciation was $21,792 and and directors' fees of $200 were paid. The company reported an earned surplus, however, at the end of the year of $17,069, there having been a balance of $21,740 at the commencement of the year. Current assets are listed at $300,241 and capital assets at $2,935,619. On the liabilities side there are advances from Royalite of $18,427 and the entire issued capital of 3 million shares of no par value.

Bain Organization Makes New Offer

Its fourth offering in the Pickle Lake-Crow River area of Ontario, H. R. Bain & Co. are currently offering 700,000 treasury shares of Gateway Patricia Gold Mines, controlling 27 claims adjoining and directly west of Central Patricia Gold Mines.

Five drill holes have been bored on the two northerly claims, one of which showed 5 ft. of ore assaying $3.50 per ton, the company's prospectus states. Initial development plans include a thorough surface exploration and further drilling.

Gateway Patricia Gold Mines has an authorized capitalization of 3 million shares par value $1. Of this amount, 800,000 shares have been issued for the property, leaving, with the current offering, 1.5 million shares in the treasury.

Officers and directors are Reginald Hore, president; David Gross, Kitchener, J. Maitland MacIntosh, Dana Porter, D. A. Chadwick, of Toronto, directors.

Siscoe Pamour
We have prepared a circular on the above mines — copies of which may be had on request.

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NOTICE TO HOLDERS OF STREET CERTIFICATES IN THE ABOVE COMPANY

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Argosy Listing Gets Approval

The listing application of the Argosy Gold Mines, as reported recently in The Financial Post, has been accepted by the Toronto Stock Exchange and trading started April 14.

Argosy, which took over the Casey Summit development in the Patricia district of Ontario, reports, as at Dec. 31, 1935, current assets of $57,986 against current liabilities of $10,154. Current assets include $47,913 in materials and supplies.

Argosy has an authorized capitalization of 3 million shares $1 par value, of which 1,550,005 have been issued. Of these, 1,150,000 shares were issued to Casey Summit for property and equipment, and 400,000 sold for cash, totalling $117,455. The Casey Summit Stock is pooled.

Obalski Deals Finance Work

Wawbano and New York Group Secure Interest

Obalski Mining Corporation has concluded negotiations for financing the company's properties in the Chibougamau district, J. C. Lamothe, K.C., president, announces.

One deal was concluded with Wawbano Mines, whereby that company will acquire a two-thirds interest in the Portage Island property, the original discovery in the Chibougamau area. The deal provides for a cash payment of $50,000 and an expenditure for development of the property of $750,000 over a period of three and one-half years. As part of the agreement, Wawbano will make arrangements for a thorough examination of the property and for considerable diamond drilling during the present season.

The second deal was made with Case Pomeroy & Co. Inc., New York investment bankers, for Obalski's Baie Cache property. Case Pomeroy & Co. are sending their engineers into the property as soon as breakup will permit for a thorough examination. Under the terms of the agreement they will have the right to acquire a 75 per cent interest in the Baie Cache property by the payment of $250,000 in cash and an expenditure of $1,150,000 for development work over a period of four and one-half years.

At the Mines

Beresford Lake Mines — E. A. Boadway is on the Oro Grande property of this company re-conditioning the machinery preparatory to resuming development. The Oro Grande property is a mile and a half east of Gunnar Gold.

* * *

Laguna Gold Mines—A 50-ton mill is being freighted into the property in Herb Lake, Manitoba, where a new three compartment shaft is being sunk. Development work will be carried out on three levels.

* * *

Sheep Creek Gold Mines — B. C. producer, produced $39,098 gross in March before deductions. R. W. Bruhn, president, recently stated that the treasury's cash position now stands at $185,000, although earnings in the past two months have declined slightly.

Show Advance At God's Lake On All Fronts

Broken Ore Reserves Show Great Increase

GRADE UP

Greater tonnage, higher millheads, and improved recovery are all reflected in the results obtained from God's Lake Gold Mines, Manitoba producer in the first three months of the year, figures for the period supplied The Financial Post show.

During the first quarter of the year, the mine produced $160,782 from 13,370 tons of ore, as compared with $133,622 from 15,011 tons in the three and one-half month period covered by the annual report.

March recovery reached a new peak at 94.5 per cent. Up to the year end, recovery had been averaging 84.1 per cent.

Since January 1, broken ore reserves have been increased sharply from 9,353 tons to 19,603 tons. This is equivalent to over four months milling.

During the quarter, five diamond drill holes were put down to the west of the mine workings. Of these two gave good intersections 400 ft. apart at depths that place them between the third and fourth levels. One of these holes cut 12 ft. of $77 ore and another 9.7 ft. of $23.45 per ton ore.

Ore Lengths Improve

Underground, the newest ore shoot developed is on the third level west, and is 131 ft. long averaging .40 oz. over 4 ft. width.

A summary of the detailed ore shoots developed on the different levels of the mine shows a combined ore length on the three levels of 2,037.5 ft., over widths varying from 3.2 ft. to 8.2 ft. and with values between .21 and .65 oz. per ton.

The following tabulation gives the figures for the individual months of the quarter. The temporary drop in February is attributed by officials partially to a shut-down to make repairs to the crusher and partially to the lower grade material sent to the mill.

Monthly Production

	Jan.	Feb.	March
Tons milled	4,448	4,302	4,620
Daily average	143.5	148.2	149
Millheads ......oz.	0.385	0.325	0.374
Tail loss ....oz.	0.026	0.024	0.021
Recovery	56,712	45,480	57,144
Per Cent recovery	93.3	92.8	94.5

Set Dome Profit Over $1,000,000

Estimated net profit of $1,068,310, before allowing for depreciation, depletion, and adjustments of surplus or contingent reserves are estimated by Dome Mines, Porcupine producer, for the first quarter of 1936.

The estimate, compared with the 1935 period, follows:

uarterly Earnings, (Est.)
Three Months Ended March 31

	1936 $	1935 $
Bullion prod.*	1,738,097	1,586,113
Less: Devel., oper. & gen. exp.	601,033	529,755
Taxes	172,917	†97,800
Outside explor. w/o	2,734	1,251
Operating profit	961,413	957,308
Add: Non-oper. rev...	106,897	112,839
Prof. before depr. & depl.	1,068,310	1,070,147

*After deducting mint charges of $18,608 in 1st quarter 1936, and bullion tax plus mint charges of $182,470 in 1935 period.

†After deducting three-fifths of reserve set up in 1934 amounting to $63,000.

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Bailor Acquires Group Near Central Manitoba

From Our Own Correspondent

WINNIPEG.—The S. M. Group of 12 claims adjoining the Central Manitoba Mines Limited on the west has been taken over by W. E. Bailor and Toronto associates. A diamond drilling campaign is to be undertaken as soon as drills can be put on the property. Considerable money has already been spent on the S. M. group and a main vein has been traced for 1,100 ft. while it has been sampled for 700 ft. in length, average assays running $25 (old price) and 2 ft. 9 inches in width.

Horseshoe Lake Mining

Horseshoe Lake Mining Co. at Ormiston is about to enlarge its plant. At present, output capacity is 1,100 tons per week of sodium sulphate, but receipt of an order for 67,000 tons this season has made a wider scale of production necessary.

Howe Sound Reports Quarterly Net Down

In its regular quarterly report, Howe Sound Co., operating concern with producing properties in British Columbia and Mexico, shows a net profit of $529,018 for the three months ended March 31, 1936, as compared with a net profit of $745,997 in the last quarter of 1935.

The company paid its usual quarterly dividend of 75 cents per share on March 31, 1936.

Comparative figures for the last quarter of 1935 and the first quarter 1936 follow:

Quarterly Results

	1st quar. 1936 $	2nd quar 1935 $
Value of metals sold..	2,951,145	3,442,816
Operating costs	2,524,962	2,815,734
Operating profit	426,183	627,082
Add: Misc. income ..	176,554	188,276
Total income	602,737	815,358
Less: Deprec.	73,719	69,361
Net profit	529,018	745,997

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Stocks—If War Comes

Research for Investors Who Seek Guidance Shows Many of "War Babies" of 1914-1918 Gone and Forgotten

In recent months many investment enquiries addressed to The Financial Post ask what investments are best to hold in case of war. Other enquirers want to buy securities which are likely to give large speculative gains in war time. The majority are mainly concerned to dispose of securities which are likely to be badly hurt by war and to cast their lot with companies which can stand the gaff at such a time.

In this article brief analyses are made of the effect on representative stocks during the great war from July, 1914, to November 11, 1918, and compare the war experience with the behaviour of the stocks in peace time.

Who Will Be at War?

The conclusions are not absolute or even approximate guidance unless the next great war should have the same countries lined up against each other. The experience of various stocks and groups of stocks in the great war is, however, a useful indication of what would happen in another war if Great Britain continues to control the seas so that the produce and products of Canada can find their way to destinations. For example, if Japan and Great Britain found themselves on opposite sides, Pacific Ocean commerce would be sewed up unless Great Britain and the United States were allies and secured control of the Pacific. In the last war Japan was an ally and even so British Columbia Fishing and Packing Co. found for months its ocean shipments were held up by operations of German vessels which were eventually destroyed.

Control of Seas Essential

The whole movement of grain out through Vancouver would depend on control of the seas. Apparently all enquirers take for granted that the United States would be an ally of the British Empire or at least be neutral in a war of the future. They take it for granted the present feverish naval building by Great Britain will regain for it a sufficiently strong position that sea lanes can be efficiently patrolled and shipments be easily made. They take it for granted that tariffs would be largely discarded by nations in great need of war supplies and food and that the theatre of war would be in Europe which would make supplies from North America much more valuable than from continents much farther away in time and space. They take it for granted that nations would be able to finance payment of huge amounts of supplies in spite of the vast burden of debt remaining from the last war. They do see the great stocks of gold held by France and the United States as the means whereby these countries could pay. They are willing to trust Great Britain and realize its huge totals of foreign investments give means of payment on a large scale.

Might Be Disaster to All

Application of sanctions by League of Nations members might possibly be more effective in future in a restricted war than it has been in the Ethiopian-Italian struggle. At the moment its prestige is sadly dimmed and this has given impetus to naval and military preparations on a large scale. League efforts to prevent war have in some cases been productive of strained situations that threatened more serious wars. At the moment, for instance, it would be a clever person who could predict that Japan and Italy would be fighting on the side of Great Britain in the next war. The whirligig of events has brought stranger things and they may be side by side again as they were before. But——

Would End Unemployment

Another world war might alter our present civilization and thus take away any of the advantages which individual companies might secure from it. At the outset it would solve the relief and unemployment problems for the warring nations. Either in industry or war there would be a place for every able-bodied man and woman. Surplus stocks of base metals, crude oil, gasoline, fuel oil, lubricating oils, nickel, steel, copper, wheat, bacon, beef, cattle, horses, motor transports would be taken up. To get more prices would go up.

Many companies, finding their lines neglected, would receive munitions business though not organized in peace time for it. There would be fighting, lobbying and tendering to get great contracts for supply of shells, uniforms, boots, hats, underwear, foodstuffs, canned goods. Vickers of Montreal would again make submarines. Airplane manufacture would grow. Civilian populations would need gas masks, anti-aircraft guns and at the end of the war the country would find itself in possession of large quantities of war goods largely unsuitable for peace needs.

As a result of all these things prices in war time would rise, and wages would chase them upwards. Street car companies and utility companies generally with rates set by law or custom would find expenses rising faster than revenues. Railway companies would have lots of freight to carry but under present regulations as to rates and with wages sure to rise they would be hard up. One remembers clearly how the Great War put the Canadian Northern Railway Co. and the Grand Trunk Company on the spot and tumbled Canada willy-nilly into a disastrous experiment in government ownership. The railways were helpless to charge rates that would see them through. Trucks, buses and automobiles have hit even the successful C. P. R. a very hard blow since the Great War and unless all transport in Canada were put under one supreme guiding direction there would be something like chaos if another Great War came about.

Foreign Utilities Fall

International exchange is now an uncertain quantity and to a great extent the last great war is indirectly responsible. Utility companies such as Brazilian Traction, Barcelona Traction, Mexico Tramways, Mexican Light, Heat & Power became drugs on the market because they made their revenue in foreign currencies which could not be changed into Canadian money. Foreign investments are usually considered a strength to a nation in time of peace, but prove of little value when a Great War once gets under way. Market values dwindle as holders try to sell and dividends become next to impossible.

Bad For Gas Companies

Even domestic utility companies such as Consumers' Gas Co., Hamilton By-Product Coke Ovens and other artificial gas companies find a period of war distressful with coal rising and consumers strenuously resisting higher prices. In the few years of high prices which followed the last war this situation was made even worse.

Bread companies and dairy companies find themselves also with costs of raw materials rising. They have to sell to populations which resist increases strenuously no matter how much justified by costs. The dairy farmers also demand much higher payment for their milk because feed goes up materially.

Aids Flour Millers

Milling companies in the last war had huge orders to fill. Some of the companies got so engrossed with war orders, however, that they found it difficult to drum up their old domestic trade again when peace time came. Wheat price soars as well and millers are always afraid of being left holding the bag when prices drop. High prices for farm products help elevator companies and implement makers.

It is a bad time for beverage companies whether they sell intoxicants or soft drinks. The demand for prohibition as a war measure becomes insistent and only the men on the front lines are served their rations. Military messes are customers but civilian trade goes underground. That was the case in the Great War so far as Canada was concerned and it might be so in another war.

Shipbuilding Flourishes

If submarines are active shipping soon commands a premium and shipbuilding grows active. If the war is long-continued that becomes quite an industry which will die within two years when the war is over. It is in the meantime a source of buying from mine and forest and steel mill and makers of engines and boilers.

Oil All-Important

Companies such as Imperial Oil, International Pete, British American Oil with control of important crude oil production would become important. To see how important these companies would be in time of war, especially those with surplus production such as International Pete commands one has only to visualize the position of any nation with airplanes, mechanized transport, tanks, trucks, motor boats, oil-run ships and no oil or gasoline. The British navy could not hold the seas effectively without oil. New vessels are nearly all fitted for oil consumption. Aerial armies would be useless. This would be far more the case in a new war than in any past war.

War Hurts All in End

Walter C. Teagle, president Standard Oil of New Jersey, states in Collier's for April 25, 1936, however, that American oil companies with Italian subsidiaries made more money in Italy in 1934 than in 1935. With all the extraordinary demand for fueling the troopships, lorries, tanks and airplanes, their receipts were actually less. War, he contends, is injurious to the oil business rather than beneficial. Despite any great increase in sales that may result from war he inclines to the view that injury probably results to any business because its steady growth is disrupted to an extent that is not compensated by the temporary forced consumption during the war.

Chemical companies would find a lot of peace-time business stopping but their factories and staffs could be adjusted to war-time uses of the greatest importance to a nation. Canadian Industries, for example, would probably find the experience profitable in many lines besides explosives, although that company, like most, would rather have peace than war.

Construction Drops

Construction companies fared badly in wartime. All civilian building stopped in the great war and would probably stop in any future war of magnitude. That produces a shortage of houses and of buildings and causes activity after the war at high prices which don't last long enough to do anybody any real good. A famous company like P. Lyall found itself humming with war-time activity because it made shells but that did not prevent it encountering bankruptcy later. Its stock soared in war days and fell away to next to nothing later.

Large companies which usually do well in times of high construction activity have to turn to making shells, building ships or some such other activity in war time to make lots of money.

Paper companies found their prices sky-rocketing and costs likewise. When production doubled, as a later result the price of newsprint slipped so fast that it left some very important companies stranded on the rocks of bankruptcy.

Canadian Companies During War and After

Here are thumb-nail sketches of the experience of stocks of important companies in Canada during the last war and in the years that followed:

Abitibi Power & Paper Co. stock rose during the war and afterward with fluctuations, up to the end of the boom period in 1929.

Ames-Holden-McCready Co. Fell as war started, rose as war-time shoe orders started, fell again in 1918, rose in 1918 and 1919. Now no longer listed.

Atlantic Sugar Co. and all sugar companies found prices of sugar rising through and after war but were financially embarrassed when prices of raw sugar broke. Stocks not listed during war.

Barcelona Traction — Stock dropped steadily from a high of 35 in 1914 before the war to a low of 5¾ after it. It went as high as 78 in later boom days but is now selling around 11.

Brazilian Traction—Dropped from 92 before war to a low of 31¾ in the war. Recovered when peace came and zoomed upward in boom days. Depression and exchange debacle in Brazil has brought it low again.

Bell Telephone Co. Common dropped year by year during the war until it got a low of 110¾ just after the war. Recovered in peace time though affected again by depression.

B. C. Packers. Investors expected war to boost this stock, but German warships on the Pacific at the outset of war, the refusal of large National and allied commission buyers to pay more than set prices and difficulties of transport made the prices fluctuate. Stock was 143½ in 1914 before the war and got to a low of 35 by 1917.

F. N. Burt Co. Resisted war influences well but went ahead more quickly when peace came.

Canada Cement Co. Stock rose with war years. Did better in periods of high construction. Fell low in depression. Has more to hope in long run from peace.

Canada Bread Co. Common fell somewhat in war but recovered quickly in boom period after 1921. Depression gave it hard experience. Recovering now.

Canada Steamship Lines now reorganizing. Stock rose in war period and few years thereafter, had hard times in the readjustment period and was recovering fast when depression struck it and brought it low. Economic nationalism of European lands which caused stop in export flow of wheat was its chief enemy.

Canadian Car & Foundry Co. Fear of war brought stock from 70 to 48¼ in 1914 but it went up to 120 in 1915 and then dropped steadily to below its peace time average. It recovered during peace time prosperity and fell sadly again in depression.

Canadian General Electric—Stock stable throughout war, boom and depression.

C. P. R. common fell gradually during the war and recovered thereafter. Double competition with Government - financed C. N. R. and with swiftly developing motor cars, trucks and buses brought price low in depression.

Consumers' Gas Co. Has paid $10 a share steadily in war time and peace time for many decades. Stock has resisted uncertainties of all periods though war-time is not good for it.

Canadian Cottons. Stock improved generally through the war and more still in 1919.

Canadian Locomotive. Stock held its own through the war. Depressed in recent years.

Consolidated Mining & Smelting Co. In the first three war years the stock rose from a low of 21 in 1914 to a high of 45 in 1916. From then on the tendency was down until 1920. Then it climbed to nearly 600 from a low of 17. It fell in depression but has been active and aggressive in preparing for the next period of active demand for base metals.

Dominion Canners, now Canadian Canners. War experience has not been as profitable as peace experience. Stock recovered when peace came in 1918. It gradually recovered from post-war slump until present depression gave it a bump because of over-production in the industry. Climbing back again slowly.

Dominion Coal, Dominion Iron and Steel and Dominion Steel Corp. Stock was stable in war-time and fell away in peace time.

Ford of Canada. Not listed during war. Would be active in war but in end gains more from peace.

Maple Leaf Milling Co. Did well during war and for a short time afterward. Had a few sharp years of struggle in trying to recover domestic market. Bought important bread companies. Fell through speculation to a point where stocks are not well regarded. Would benefit through war orders but more by a change in foreign tariff laws which would permit greater exports.

Dominion Bridge—Stock zoomed in early years of war and then gradually fell. Revenue soars when business is good and construction active.

Dominion Textiles. Stocks quite steady in war time and peace and until 1936 in period of depression as well.

Monarch Knitting Co. Did well in war and later but suffered eventually from commitments made in foreign market during war. Has been recovering in recent years.

Montreal Power. Has stood the gaff of both war and peace well. Has most to gain from peace.

Montreal Tramways. Stock fell steadily during war but rallied during boom days. Is lower now than at any time during the great war but war would hurt it. Still paying dividends.

Nova Scotia Steel. Fared fairly well in first war years, did better after war. Encounters occasional adverse periods in peace time.

Ogilvie. Stock comparatively stable in all times.

National Brewing. Stock not quoted during war. Does better in peace time.

Penman's. Has had excellent results both in war and peace periods.

Russell Motor Car Co. Profited from munitions in war, from making bicycles, motor cars and other things in peace time.

Spanish River—Nearly faded away in war time. High prices enabled it to recover and do quite well for a few years. Merged with Abitibi now under receivership. Quoted here to show influences of war on paper stocks.

Steel of Canada. Position improved steadily during the war. Stock rose and because company strengthened its position for peace time demands out of war profits stock has shown consistent strength ever since even in bad periods like the years following 1929.

Tuckett Tobacco Co. and **Imperial Tobacco Co.** Experience has been stable.

Twin City Rapid Transit. Old and prosperous concern fell away in net earnings through the war. Trend was accentuated by swift rise of motor cars. Stemming trend bravely.

Winnipeg Electric. Stock fell during war. It did better in peace time. It has been so badly hit in depression as to cause reorganization. Government and municipal competition has taken a lot of its former business.

Shawinigan. Stock stable in war, fell in post war boom period recovered from 1920 to 1929 but has been affected by depression and over-building of power enterprises. Peace time is its best time.

Sherwin-Williams. Held well during war time but jumped up higher as soon as peace came. Time of active construction under peace conditions is its best period.

B. C. Fruit Crop Nearly all Sold

A good clean-up of the 1935 fruit crop is reported by B. C. Fruit Growers. Unsold balance early in April was but 184,550 boxes from a total crop of 4.4 million boxes, of which 1.8 million boxes were sold in the domestic market and 2.3 millions for export.

Foreign Prints Present Threat to Our Youth

As Greatest Challenge in History Faces Us, Industry Urged to Form Public Opinion

By MAJOR JAMES B. BAXTER,
Vice-president, A. McKim, Ltd., Toronto, in recent address.

Consciously or otherwise, we in Canada formulate our attitude toward life largely on the pictures reaching our senses from magazines and newspapers (1,249,000 copies per issue circulation in Canada)—originating in the country to the south of use.

Because of the facility that now exists for the drenching of the Canadian mind—and particularly the young Canadian mind—with examples of a way of life that is false to us, of examples of conduct that are utterly untrue, a special safekeeping of our Canadian tradition is at this time necessary if the foundations of our future national life are not to be undermined.

Threat to Youth

A grave danger exists, fostered by these causes, of Canadian youth coming, by imperceptible stages of disillusionment, to the false conclusion that all effort, all work, all those worthy institutions that minister to social well-being are nothing more than a racket.

We are facing today the greatest challenge in our history. The deluge of United States magazines into Canada is a distinct threat to Canadian business and to our national unity. I am not criticizing or deprecating the U. S. publisher. He is doing well by his own people. His methods may be better and more progressive, but they are not ours. Our newspapers and magazines have accomplished a great deal in the face of great difficulties. In towns and villages, in country homes, in isolated farms, they have given leadership—speaking to the nation with one voice—with one purpose.

Strength and Character

The Canadian publisher has risen to his responsibilities. Canadian publications have achieved strength and character and exert a tremendous influence. But publishers can only pay editors and writers and pressmen if they have revenue from advertising And the advertising competition in the imported magazine is grossly unfair not only to the Canadian product but to the Canadian publisher as well. That gets right down to labor and to unemployment. It leads me back to Kipling's legend—the magic is in the words. We are subject in Canada to the whole weight of the spoken, of the written word of a nation more than ten times as vast as ours. We must use every means within our power to combat this influence.

Industry and Public Opinion

A new King, a youthful King, may make us more deeply conscious of the wholesome British ideal of life and industry. I believe industry in Canada accepts this British idea. Industry can do its part to promote it among the youth of our land by deliberately participating in the molding of public opinion. Industry has and will continue to have views on the vital issue of the day, and should not hesitate to tell the public what those views are. Let industry use our magazines—our newspapers—the radio — the printing press, to combat the flood of foreign literature which engulfs Canada today.

New Books

My Friend, the Emperor

Canadian Newspaperman Paints Human Picture of Mighty Monarch of Darkest Africa

JOHN HOY OF ETHIOPIA. By Robinson MacLean. Published by Oxford University Press, Toronto. Price $2.50.

The first newspaper man from this continent to arrive on the scene in Ethiopia as a special correspondent was Robinson MacLean, sent by the Toronto Evening Telegram. MacLean spent months on the job, sending his paper lively cables and colorful news reports, and occasionally taking time out to broadcast by short wave to radio listeners of North America. Back from Ethiopia, MacLean has written the story of his adventures — one of the few books ever published on this continent which starts off with a foreword written by a real live emperor.

John Hoy of Ethiopia is His Majesty Haile Selassie I. John Hoy is an Anglicization of what his people call him.

Robinson MacLean played his cards well and found the Emperor willing to be friendly. John Hoy was a bit of a newspaper reporter himself in his early days and apparently knows more about journalists than Mussolini ever will know.

Robinson MacLean's book is not all about Selassie. He talks about the bundles of filthy rags from which beggars' heads appear, about the dirt and leprosy, about tribal superstitions, social customs and the courts of justice—even here and there about the war. But wisely, he has played down the war. The war may be over soon, but Robinson MacLean's book will still be newsy, fascinating and readable.

Some people will find MacLean's style light, feathery. But it is not cheaply sensational or superficial. MacLean writes well — rapidly no doubt but with instinctive choice of just the right words. It is easy to hurry through the book. The words leap to meet the reader, for MacLean is a reporter of action, and he writes in a sparkling cabalism that wots not of statistics and recks not of hidden truths to be interpreted.

There is a certain episodic character to the volume, and most of the chapters stand out by themselves as individual stories. One of the best is a splendid bit of slightly ironical tragedy which tells of Will Barber, Chicago newpaper man, who died of malaria. And McLean's first interview with the Emperor has zest and color. A hard-boiled young Canadian reporter meets a great black Emperor, and they understand each other from the first cup of coffee.

S. B. Gundy, of Oxford University Press, who arranged publication of this volume simultaneously in the United States and Canada, knows a good story, and he made no mistake in getting MacLean to put the Ethiopian yarn between covers. He has done something craftier than that. He has teamed up with a writer who is going places.

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The BACHELOR'S CORNER

Male Quartet - - -

It was one of those parties where the only way to get along is to get hilarious . . . That's how I got roped into the male quartet.

I forget what we sang—or even if it could be called singing!—but the company applauded uproariously. For an encore, we gave them Carry Me Back to Somewhere (it may have been Old Virginia, or possibly Bonnie Scotland or even the Emerald Isle — I really can't remember —) then, thank goodness, our host passed a box of Bachelors.

That carried me right back to the day when I smoked my first Bachelor. Man! —that *was* an event in my life. A lot of water has gone under the bridge since, but every time I light up a Bachelor I repeat:

"IT'S GOOD TO GET BACK TO A 10c CIGAR"

WILSON'S BACHELOR Cigar
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He Wouldn't Buy "Futures" in Oil!

A Little True Story From 70 Years of Making Gargoyle Lubrication Mean Correct Lubrication . . .

MID-MORNING in the office of a great industrialist. A business caller is announced, ushered in, seated.

The executive speaks: "I am afraid I shall not be able to continue to do business with you. I have a proposition from one of your competitors. They have studied our plant here for the past fifteen days. They promise to cut oil costs by 25%. What would you do?"

"Take it," responded the caller. "That is, if you feel that their fifteen days' study carries sufficient assurance. But for 15 years we have served your plant and know your operating problems."

The president replied, "I thought you would say that. Here is your contract. I won't buy 'futures' in lubrication."

More and more plants while refusing to buy "futures" in lubrication are turning to our "Correct Lubrication". Penalties of buying "futures" in lubrication are usually high power consumption, lower machine efficiency, mounting maintenance expense, excessive cost for lubricants.

Today Gargoyle Lubricants are delivering "Correct Lubrication" in hundreds of Canada's greatest industrial plants — saving power — saving maintenance — maintaining production — reducing oil costs.

There is a specific Gargoyle Lubricant such as Gargoyle Cylinder Oil 600W, Gargoyle D.T.E. Oils, etc., for every type of lubricating job, and Socony-Vacuum recommendations are based on the accumulated knowledge and experience of 70 years of leadership in lubrication. Call or write the nearest branch office.

This trade-mark is backed up by an exclusive asset — 70 years' experience.

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